Peace Anniversary Edition

THE CHINA WEEKLY REVIEW

密勒氏評論報

A Weekly Newspaper Established in 1917

August 31, 1946

CHANGING HORIZONS

AN EDITORIAL

Asia Moves Toward Freedom

By Leo Rissin

Year Of Disillusionment

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LETTERS From The People

Comments from readers on current topics are cordially invited: their opinions, however, do not necessarily represent the views of **The China Weekly Review.**

Too Big For One.

To The Editor:

I can't be silent any longer; I think it is at this exact time that all Chinese who have thought for the welfare of their country should stand up and awake the rest of people in the unprecedented crisis China faces. Let me shout: The civil strife must not be permitted to continue. China needs no war again!

Reading the newspaper, I find to my great terror that five-star General Marshall and U.S. Ambassador Stuart have declared their virtual failure to reach a settlement in China's civil war. It shows me the cruel bloody strife is to go on and on, and it will be stopped not by peaceful means but by force.

China has been one; she stood first and alone against the partner of Nazism; fought longest in the last war, and so suffered most at its end. Due to her people's grim determination and enduring spirit, China has won international admiration and a respect so valuable and honorable that she has been elevated to the Big Four; but due to endless civil strife, her glorious position is slipping away day after day. People have been happy over the coming of victory, but with wars conflagration still flaming everywhere, they will suffer more and more. In a word, it is due to civil strife that our fruits of victory are going rotten!

I believe that if the two big parties' leaders—the Kuomintang and Communist party, see what the strife means, they must be very anxious when other nations are becoming relaxed and more prosperous than ever before whereas they are still fighting each other for individual purposes. Also I doubt if one will be able to rule over this vast, poor, devastated country after one has overthrown the other? Is civil strife the best drug for curing China's illness as well as for improving her future health?

The civil war is opposed to the will of people. If not stopped as quickly as possible, it may lead to the swift annihilation of China.

K. F. HSU.

Shanghai,
August 25, 1946.

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"Best Elements"

To The Editor:

Reading the August 3 issue of the Review, we know that you are in some kind of trouble. But anyway, the Review, according to her past experiences, even under unreasonable Japanese military oppression and even after the barbarous treatment of Dr. J. B. Powell, was affected little in spirit. It then can be sure that she will struggle for her future prosperity.

Justice and righteousness are the two best elements of your Review. "Good deeds are originally troublesome," and "When the brightness comes, how can black clouds stand any more?" Let these two Chinese sayings be our future common ideas.

C. C. H.

Huchow, Chekiang,
August 17, 1946.

Japs In Taiwan

To The Editor:

In view of the serious importance attached to the problem concerned in this letter, I would beg your permission to publish it.

Recently in Tainan, a group of Japanese headed by Hajuma Fumio, a former mayor of Tainan, was rounded up by Chinese gendarmes stationed there on the charge that they had held secret

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PUBLISHED AT 160 CHUNG CHENG ROAD (EASTERN), SHANGHAI, CHINA, BY MILLARD PUBLISHING COMPANY, INCORPORATED UNDER THE LAWS OF THE STATE OF DELAWARE, U.S.A. REGISTERED AT THE CHINESE POST OFFICE AS A NEWSPAPER FOR TRANSMISSION WITH SPECIAL MARKS PRIVILEGES IN CHINA.

Contents of previous issues of The China Weekly Review may be found in the "International Index of Periodicals," copies of which are on file in most standard libraries.

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meetings every Saturday without permission of the local authorities and, what is more serious, had illegally maintained a channel to exchange information between Tokyo and Taiwan by radio. Merely from newspapers we can know nothing beyond this brief report, but it is easy to ascertain that their underground activities aimed at menacing world peace in the long run.

It is said that Japanese secret Fascist organizations in Taiwan distributed handbills and published an illegal newspaper, "The Undergraund Nichi Shimbun," circulated widely among the 20,000 Japs still in Taiwan, influencing and implanting dangerous thoughts. Besides, Fascist "headquarters" had dispatched 200 girls, using false Taiwanese names, smuggling them into Taiwan among the Taiwanese recently repatriated from Japan. No further report was made, but it is not difficult to guess what mission these girls are going to fulfill if we remember that Japanese girls have won world-wide fame as spies in serving their past aggressive government. Further it is reported that there are quite a lot of Japanese evading repatriation by all manner of means. Why do they want to stay in Taiwan? It is not premature to conclude that the Japanese Fascist remmants still are not annihilated; on the contrary, they loiter everywhere to sow the seed of the next global war.

Everywhere in our country, our government has treated the Japs very kindly. In return, this results only in encouraging their illegal and harmful activities within our boundaries and leads the Jap policemen in Tokyo to slaughter our brethren. We must stop conciliating in the fond hope that Japanese Fascists have turned into harmless sheep overnight and that they will not menace world peace in the days to come. We must exercise strict supervision over their activities and annihilate these Fascist remnants before they are strong enough to challenge us once more.

C. K. TSAI.

Tapei, Taiwan Province,
August 17, 1946.

Foreign-Equipped

To The Editor:

After the war, the governments of various countries once more returned to trade and industry, because these are the foundations of the social structure and the cornerstones of national reconstruction. During the past year of peace, it is generally known, China has not progressed in the develppment of trade and industry, in fact, this development has suffered a setback owing to the markets of this country being flooded with foreign goods, such as tinned food, cigarettes, and numerous types of plastic ware and because their prices are lower than those of native products. We can even say that the people of China are at least foreign-equipped!

This dumping is a great threat to our national economy and discourages the development of home industry and trade. In these circumstances, the Chinese Government has brought about a new exchange rate for foreign currency which aims at restoring the balance between the market value of foreign and domestic products, and also at preventing the bankruptcy of our industries. This new step may give effect to the stabilizing of the people's livelihood and economic conditions. In these strange times, communications have not been resumed and the country is not wholly united. This may cause an increase in the cost of daily necessities, thus raising the wages of laborers and in turn, the home products enterprises will not only meet

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new obstacles but will also add to the misery of the people of China.

We sincerely believe that China's position is not hopeless. However, to bring about speedy industrial restoration, she must have public-spirited industrial leaders. Commercial circles and the authorities concerned are requested by the people to cooperate fully so that this new measure will result in financial stability and a flourishing national economy.

YOUNGMAN WU.

August 25, 1946.
Shanghai,

Agriculturalization

To The Editor:

Dr. Frederick Hung's famous composition, "China's Industrialization Held Necessary To Asia's Peace," which appeared in the *Review* on July 20 was of extreme interest to me. A foreigner could easily understand China's need after reading Dr. Hung's honorable and admirable article.

My opinion is the same as Dr. Hung's in great part. However, I noticed that the rehabilitation program for the industrial region was limited by railway lines. The western and southern regions also need industrialization.

Though industrialization in China possesses great importance, agriculturalization is important too. Besides foreign capital, China's industrial program must depend upon agricultural money. The market and raw materials explain the importance of Chinese agriculture.

This is my first and second opinion. I will welcome very much any further teaching from Dr. Hung. He and I have no misunderstanding because for us our common aim is China's industrialization. My blessings to Dr. Hung because his kindly teaching gives me knowledge of economic reconstruction and rehabilitation.

L. CHENG.

Chungking,
August 6, 1946.

Molested

To The Editor:

Reading a few successive issues of the Review, I found that many people, at present, are molested by the Chinese Government and the Communists, either with complaints or with invectives for their continuance to make the civil strife. Even some of the foreign papers are not quite satisfied with present Chinese conditions. It seems to be much ado about nothing.

I simply mention two kinds of papers' criticisms here: (1) The Ta Kung Pao recently pointed out that the Kuomintang and Communists in their statements both desire peace above everything else, but their negotiations are continued side by side with fighting. And you cannot find out which side is the initiator of the attacks, as each side is blaming the other. (2) The Dallas (Texas) Morning News pointed out that the United States has definite interests in China. "Among these are a stable government with which we can deal, a peaceful country with which we can trade, and a happier country that can cease tugging at our heart." Evidently there is some sarcasm in joking that the Chinese government is not stable, the country is not peaceful, and the present people in China are not quite happy.

But I am a optimist, though a penniless, descendentless farmer's boy and a poor teacher, (whose age will be 70 years before long). I am also a non-partisan. I do

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The new 1947 issue of the Foreign and Chinese Telephone Directories are in process of being compiled, and in order to ensure that subscribers will be listed correctly, questionnaire forms will be distributed by mail to each subscriber in the near future. Subscribers are requested to fill in these questionnaire forms and to return them to the Head Offices of the Company 232 Kiangse Road as soon as possible.

In order to assist those individuals and firms who, as a result of the world shortage of materials and supplies, have not yet been able to obtain Telephone Service, Shanghai Telephone Company is pleased to announce that until it is able to meet the demand for new telephone service it will relax its rules applying to advertising by non-subscribers and will permit non-subscribers to advertise in its directories subject to the approval of the subscriber whose telephone they are using. Further particulars may be obtained by applying to the Business Office 232 Kiangse Road, Telephone 94090.

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believe both sides of the civil-war makers are good representatives of the people, educated leaders, and they can solve the political problems only by themselves. We, the citizens, the poor students, should keep on reading, and must be well educated, otherwise we cannot vote intelligently as the proposed convocation of the People's Congress is on November 12. Moreover, our government formed by the Kuomintang is very good. When Dr. Sun Yat-sen was writing his "Three Principles of the People," saying "The Chinese nation is the slave of ten thousand nations" (萬國之奴隸), so in his will he wanted his followers to elevate China to a position of freedom and equality among the nations.

In less than half a century China already has become one of the Five Great Powers of the present world. The Chinese people are not slaves to anyone now. Whose merit is it? Of course, it is Kuomintang toil. And whoever (foreigner or Chinese) has been to Yenan or other parts ruled by the Communists will say that there is good order—even the Review praised Magistrate Sun Lan's capabilities, (Feb. 9 issue, 1946).

China's Government is quite stable. It takes responsibility in all foreign relations. In some parts the country is peaceful and no foreign traveller or resident has been injured, and its people are very happy.

Although I am a penniless man, I drink wine every day, besides my three good meals. And whenever I have my cup of wine in hand, I write Chinese poems or discuss Chinese philosophy with my students. Whenever we are tired of Chengtu's plain living, we gather together to take trips to the Green City Mt. or Omei Mt., or other famous mountains in Szechuen. No robber will rob us. No thief will steal from us. We believe very few Europeans or Americans are so happy and free as we. Indeed our central and provincial governments both are holy. If we only obey them and follow their directions to develop our arts, education, trade, industry and agriculture, China will have great progress soon. In a word every person must be a good citizen to make China become a paradise.

Some one may ask how about those people who are living on the battlefield, without reason losing their lives and property. The answer is that there is a judgment day. Whoever causes hurt or damage will bear the crime. It is not the onlookers' duty. Then the inquirer may say that you should advise them. The answer is that we already have done that for three decades. Isn't that sufficient? Eat and drink, tomorrow we shall die. However, when each awakens his cruelty, no one could encourage him to do it again. And Mencius said: "If each man would love his parents and show the respect due to his elders, the whole country would enjoy tranquillity." (人人親其親，長其長，而天下平). I do hope that my fellow-citizens or students will pay attention to this. It is sufficient.

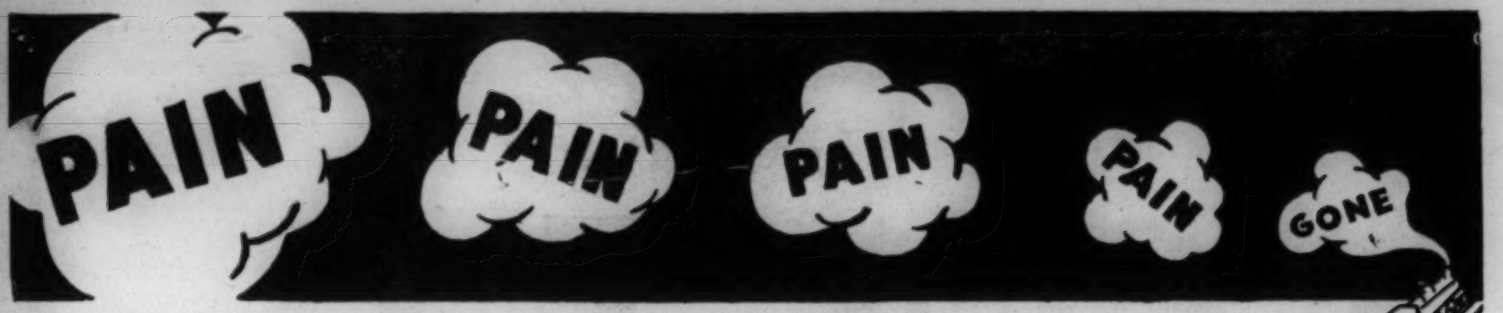
G. S. SHIE.

Chengtu, Szechuen,
July 30, 1946.

Elucidate, Please

To The Editor:

In your leading editorial of August 10 you stated that during May CNC$27,000,000,000 worth of imported merchandise was pilfered but the value of smuggled goods confiscated by the Customs for June was CNC$100,000,000, representing no more than 10 percent of the smuggled cargo. It seems that these figures are not correct, as the latter amount is less



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BOOKWORM.

Chungking,
August 17, 1946.

(The Review's editorial writer did not mean that the CNC$100,000,000 *figure, given by the Customs as the amount of would-be smuggled goods confiscated, was 10 percent of total pilfered goods. Of course all pilfered goods eventually are smuggled into Shanghai or into the hinterland and, perhaps should have been included in the total smuggled...However, the smuggling of pilfered goods is extremely well-organized by powerful groups who rarely run afoul of the law. The writer, using information supplied the REVIEW by reliable sources, estimated that the figure of* CNC$100,000,000 *represented approximately 10 percent of the goods brought to Shanghai, either by organized groups or by individuals for the express purpose of being smuggled into the port.—Ed.)*

Proof, Please

To The Editor:

My attention has been drawn to the Editorial appearing in "The China Weekly Review" of the 17th instant, and I shall appreciate your furnishing me with proof of the allegations made therein, at your earliest convenience, so that same may be investigated.

LI CHIN-LU.
Director of Posts for Shanghai.

Shanghai,
August 22, 1946.

Proof

To The Editor:

I, your faithful reader, feel and know your Review is one of the most exellent of the publications in China now. And I have read it faithfully for more than the three months since I went back to Nanking from Chungking. Although before this I bought the Review from bookshops. It is not so convenient so I made a subscription to it for one month with the idea that I would continue your Review if there would have been no loss in delivery. However, to my disappointment, two issues have been lost and I doubt if the next issue will reach me here. Certainly there must have been some mistake in the postoffice or otherwise the deviltry has been made by some serviceman.

Now I am very sorry to say to you that I will not continue my subscription to the Review. However, I prefer to read it still from buying rather than subscription. Indeed, I will therefore be one of lots of your faithful readers.

But I protest against something which has made your excellent Review not able to circulate smoothly and freely. I think a fair publication such as the Review deserves to be a free one. But it is very unfair to deprive the Review of the freedom of circulation. As a faithful reader I will have much honor of reading the Review as well as enjoying freedom.

P. C. SUN.

Nanking,
August 23, 1946.

Where's My Review?

To The Editor:

Not long ago I sent you a letter regarding the delaying of the "Review." I regret that I should have posted it in the ordinary mail which sometimes might lose or delay it. Therefore, I cannot help writing again and repeating my

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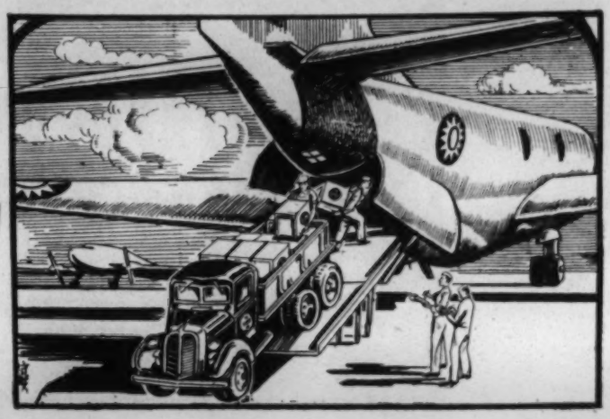

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saying. So if there was something hanging on the heart, I don't have it now. It is three weeks, since I have received your *"Review."* How anxious I am! I know that the ordinary mail. sometimes, might delay in the delivery, and I also know that the *"Review"* is posted in time. But I hastily want to read it, you know, as a person eager for food. Would you like to inquire into the local "post-office" and kindly give me an answer?

HSU CHE-TSANG.

Nanchong, Kiangsu,
August 12, 1946.

By Turtle-Back?

To The Editor:

It was a great surprise to me that the Review of August 3 came to me only by August 17. It took 14 days to Kunming. One of my American G. I. friends took only eight days from Kunming to Washington, D.C., U.S.A.—from this side of the world to the other side. The world is progressing in an atomic age. But the communications between Shanghai and Kunming are still very poor because of the civil war.

I have recently sent you several letters and duplicates of some. Tell me whether you have received them or not, because it is rumored here in Kunming that censorship is brewing again.

A FAITHFUL REPORTER.

Kunming,
August 19, 1946.

Students Expelled

To The Editor:

The continuing expelling of students finally came to one of the most famous Chinese Christian colleges which was usually regarded as one of the most liberal palaces of culture in China. Last week some 200 students in the Hangchow University received their long-awaited term-end reports with the notification of being expelled from school under three different reasons: 1) average points below standard, 2) unqualified for the entering of school, and 3) behavior unfit to the circumstances. These who were expelled for the later two reasons naturally had to argue with the school authorties, while it would be abnormal too for so many students to be expelled with low grades. Had it had nothing to do with the recent political activities, (we believe not,) only the school authorities could be held responsible for their mismanagement in this connection.

N. ZUNG.

Shanghai,
August 23, 1946.

Seconded!

To The Editor:

As I am faithful and an everlasting reader of the Review, from which I have procured lots of knowledge of every field, unexpurgated news reports from the interior and a righteous solution for any difficult problem. I am encouraged to ask your permission to have the following news published in your Review in order to point out the present situations of my school, Hangchow University.

It is a pity to learn that more than 200 innocent students were dismissed by the school authorities last week, under various pretexts such as "surroundings not suitable," "Wanting in character" and "low rank," and the fact was published in Ta Kung Pao on August 23. All the above mentioned pretexts are obviously most absurd, for among the victims many are good pupils both in lessons and

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characters. The real motive which is deliberately concealed is that the innocent students were too active politically.

Referring to the principle's (Mr. Li Pei-jen) announcement promulgated in the Wen Wei Pao on August 22, he said that there are too many intellectuals in China and it does not matter seriously in dismissing 200 students. Is it really true that our country, China, now needs no more students to be educated in building our glorious world? I, myself, doubt it. On the contrary, China needs students of all fields, the more the better—to continue the heavy responsibilities of our ancestors, generation after generation, to make our horrible world peaceful, just for the welfare and prosperity of human beings.

A principle, leader of youths, should encourage and educate students with patience and be kind to them, because it is absolutely shameful for any principle to be unable to cultivate his students and give up his responsibility by means of cruel and unjust dismissal.

Though the unfortunate students unanimously cabled the principle, who enjoys himself in Hangchow, to have his policy canceled, it is hardly likely, however, to get any hopeful conclusion. Therefore we, the innocents, hope eagerly that our schoolmates of other universities and the people of every circle in the society may lend their arms in this serious matter.

SHWARD TUNG.

Shanghai,
August 24, 1946.

Review Preferred

To The Editor:

Through constant reading of your good Weekly I believe I have obtained not only a great deal of information on the existing situation in our country but also have learned from the outspokenness and impartiality of your editorials, for which I feel I cannot thank you enough.

I cannot say exactly why I simply don't like reading the several daily papers published in our Sian. I used to take the Chin Feng Kung Shang Lian Ho Pan (A syndicated paper) but it was compelled to suspend publication on account of repeated bombings early this May. Ever since I have taken a deep interest in your Weekly which actually gives me more information than all the Sian papers combined do. I am glad that you publish it in Shanghai and you are a foreigner otherwise I cannot imagine what might happen or already have happened to you and your publication. I am also glad that I am possessed of a fair knowledge of English which enables me to read and enjoy your esteemed Weekly without much difficulty. I wonder if you wished to publish a Chinese version if you could ever get permission.

Should you not think me too talkative, I would go one step farther to solicit a little more space to air my personal views on the national affairs as a plain citizen: With political assassination raging in Kunming and the spread of the fire of civil strife into this province, the nation is literally and dreadfully in a chaos. Things being such, it seems no practical use talking and talking on mere side issues such as being done by the Military Committee of three. The shoe which really pinches seems to be in a coalition government. It is strange why the KMT is not eager to have the government reorganized as agreed at the Political Consultative Conference. Once the coalition government is formed, everything will come easy.

P. Y. WANG.

Pucheng, Shensi,
August 14, 1946.

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Vol. 102 Shanghai, Saturday, August 31, 1946 No. 14

Personal Liberties

TWO world wars have been fought ostensibly for the freedom of man. The first was the war to "Make The World Safe For Democracy." In promoting "democracy" it was implied that the personal liberties would also be protected as they have been for scores of years in Britain and America, the world's two outstanding democracies. The second war, the war of the "Four Freedoms," again was fought to free man from the personal restrictions, both political and economic, with which his rulers had shackled him.

In both instances it would seem that he has fought in vain. Following the first war, unprincipled dictators rose to enslave the people, first by rabble-rousing demagoguery, and later by secret police and storm troopers. The second war has been won by the Democracies and their Allies, but still the only strongholds of freedom for the individual are in Britain and America, plus of course, a few of the smaller democracies.

Today the people of Germany and Japan are nominally free, since their despotic governments have collapsed and their lands are ruled by the conquerors. However, neither people has attained real freedom, nor is either likely to in the near future.

The Axis-enslaved peoples have been liberated from their foreign masters in most instances. But today they are still far from free. From Poland down through the Balkans terror has reigned, driving people to and from the polls in order to simulate the processes of democracy for the satisfaction of the Democratic victors.

In Asia, with the possible exception of Japan and the Philippines, there is no such thing as personal liberty. India, still ruled by Britain, is in addition rent with communal strife. The Dutch are still in the Indies and the French in Indo-China.

The Chinese people are as far from enjoying democracy and personal freedom as they were in 1911, having made only scarcely perceptible progress in the past quarter-century. China, upon which Roosevelt placed so much hope, has been a sad disappointment. A civil war, labeled as a struggle between Communism and Capitalism, has in truth settled down to another of China's centuries-old struggles between two opposing sets of selfish, embittered and thoroughly unenlightened warlords. Communist and Kuomintang negotiators today behave like combination prima donnas and old style Machiavellian intriguers, taking offense at the slightest excuse and behaving in the most shamefully dishonest fashion.

While China's leaders theoretically work for peace, officials and the more "prominent" private citizens take advantage of the unsettled conditions to fill their pockets, robbing and mistreating the people without mercy. Although the Generalissimo has removed the war-time regulations concerning censorship of the press and restrictions on free speech and assembly, his representatives throughout the country do as they please, complying with his directives only when it suits their purpose, secure in the knowledge that unless they become involved in something really serious, such as the Kunming assassinations, the long arm of Nanking will not reach out for them, the Government being confronted by too many other pressing problems.

Shanghai in recent weeks has had several examples of the "official attitude" toward the people and their rights. The old saying of "The People Be Damned" has never applied anywhere more than it does here today.

Shanghai has become so accustomed to arbitrary rule that but little protest was made two weeks ago over the strong-arm methods employed by Chinese gendarmes, accompanied, we are ashamed to say, by American Military Police, in a raid on an apartment house. Behaving like gunmen and thugs, the gendarmes, some of whom were in civilian clothes, began battering down doors, climbing in windows, etc. One man

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was shot, while apparently all occupants were robbed.

Last week, Robert Bryant, an American photographer, was beaten up by local policemen at the New Zealand Ballroom. Bryant was attacked when he attempted to photograph the police in the act of making an arrest. The cops, seemingly, had chased a local badman into the ballroom's grounds and finally cornered him.

A further example of the complete official disregard for the people's rights was demonstrated to us all too clearly a few mornings ago as we were walking to the office. A large, black Packard found its path blocked by a coolie pulling a cart. The coolie admittedly, was wandering around in the middle of the street, slowing up, if not blocking traffic. After a couple of perfunctory honks and an unsuccessful attempt to pass, the limousine halted and the chauffeur, number two driver and another man from the rear seat—all wearing Chinese military uniforms—leaped out and without a word of warning fell upon the hapless coolie. One of these fearless uniformed defenders of the nation maneuvered himself into position behind the coolie who was gesticulating with his frontal attacker and began kicking the victim. When the coolie turned, attacker number two began pummeling him about the back of the head, while the third soldier, attacking from the side began slapping the coolie in the face.

In addition to the natty, Chung Shan-uniformed representative of the ruling class who remained in his car there were several spectators. Two of them were the special Chinese Gendarmes detailed to guard the disputed building on the corner of Canton and Kiangse Roads. A third was the cop on the corner who discreetly retired behind a parked car, emerging only after the sobbing, beaten coolie had stumbled to the curb and the limousine had sped on its way.

And the Government wonders why it doesn't receive the love and loyalty of the people.

The second war has been brought to a successful conclusion by the nations who said they were fighting for the little man and again the little man has lost. In Asia he has again been tricked as he has in most of Europe.

The "leaders," it would seem, have forgotten Mr. Roosevelt and the ringing tones with which he called the "little men" to arms. The Four Freedoms have been repudiated.

Complete Curriculum

From the Arkansas Gazette.

As for re-educating the Japs, we trust that what they've had, and what's coming up, will be a lesson to them.

ASIA'S GUN POWDER KEG

From the Baltimore Sun

Changing Horizons

BEFORE that titanic historical impact known as Pearl Harbor, values in the deep south of Asia were reckoned in terms of gold petroleum, sugar, rubber et al. Today the pendulum has swung over to the other side. In viewing the native people of the south we think essentially in political terms; we think in terms of armies, popular movements, native leaders. Political power today looms larger in our eyes than mere gold and native sweat. A little advance, but have we gone far enough in viewing, and understanding the real problem, the real challenge, that confronts mankind in Asia.

That challenge is to convert Asia from a continent of over-population and under-production, to a new reservoir of human inventiveness, of cultural and moral leadership as it was before the impact of western arms under the cloak of western civilization. That challenge has faced the world for over four centuries. It is still there, and will remain a challenge so long as the West does not change its perspective. For as in the past, so today, we are looking at Asia from the wrong angle. We are still more intent on changing the outer lives of the native peoples rather than their minds. Therein lies our greatest blunder.

Today we must realize that filling the bellies of the people is not enough. In decades gone by, the natives looked up to the Westerner who, through more efficient administration put more rice in his bowl. All that is changed today. The West must either utilize its energies for pushing education or find that it has failed in its mission. It must either lay a firm foundation for a new, greater Asiatic culture, blended with the modern progress of the West, or admit failure of its mission (if it still has a mission to claim for itself).

The oft-toted "White Man's Burden" must become a burden for the West, and not a mask for luxurious living at the expense of millions of Asiatics. The West must pour its technological skill into the East, but, even more important, it must bring to Asia its culture, its learning and

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its science. It must enlarge the outlook of the native peoples, giving them new horizons, and new peaks to conquer.

That is the challenge—not to change the East, but to offer a change to the peoples of the East, thereby giving them the intellectual tools with which to change the pattern of their own environment. We are commiting the same cardinal blunder forced on the Japanese conquerors by the glib-tonged expansionists of Tokyo. We are intent only on changing the outer things in life, without going down to the roots of human endeavor.

Can we but raise the intellectual standards of the native peoples, and teach them how to live on their own—and how to build on their own—we shall have made the greatest contribution to history, for we shall have transformed half of humanity from a backward, superstitious, self-negating conglomeration of races, creeds and native states, into a giant federation of free men determined to remake their own society, and make the days of the future even more glorious than the Golden Ages of their great past.

If the war has shown us one thing, it is that material values are not everything. We must first conquer the soul if we are to change the lives of men. Yet we are no nearer conquering the souls of the people of Asia than we were a decade or a century ago. We are still regarded as the "materialists of the West", determined only to stake out our own political and economic claims, oblivious to the true challenge of the East, which is the challenge of transforming the minds of one billion Asiatics.

The way is clear, be we but willing to take it. In place of soldiers we must send scholars, in place of guns we must furnish books. Colonial citadels bristling with armaments must be replaced by great seats of learning stocked with the knowledge of the universe. So, and only so, can we learn to give to the native people where formerly we only took. So we can help to make Asia a part of the Western world on a basis of complete equality, rather than a drag on civilization. We must realize that in debasing the people of Asia we are only debasing world civilization, that in elevating them we are elevating world civilization to a new pedestal of peace, prosperity and—a new level of human values.

The challenge remains—for the entire Western world to face, for the entire Western world to triumph over—after four long centuries of exploitation.

Cheap Sale

From the St. Louis Post-Dispatch

Women's shoes in Soviet "commercial" stores were marked down 42 per cent to a mere US$67. How many more cuts and how many days of OPA-free cowhides here before Russia and America agree on something?

China's Party Splits

PERHAPS one of the most significant, if not one of the most influential, changes in the Chinese political arena during the past weeks has been the split in the ranks of several of the larger "third parties." It is only when we fit this trend into the larger composite picture of Chinese politics today that its importance for the future can be gauged.

We have previously taken the view that the real struggle in China is not so much between the moderates on both sides as between the extremists in both the Government and Communist factions. We will maintain the stand that were it merely a question of negotiations between the Kuomintang liberals on the one hand, and "middle-of-the-road" Communists on the other, the present impasse could long ago have been overcome. Nothing which has happened during the past month indicates that any modification of this stand is called for. But it is only through an understanding of this basic fact that we can make a valid appraisal of the split in the "in-between" parties.

As the cauldron of civil war threatens to boil over and sear the face of the entire countryside, the extremists on both sides have been gaining power. In both Nanking and Yenan, the old party diehards and intransigents have adopted the "We told you so" attitude which only leads to a further intensification of hatred and refusal to compromise. And as everywhere, where the extremists gain the upper hand, it is the "little fellow in the middle" who feels the pinch. So it is with China's "third parties." As the gravity of the domestic situation mounts, they are beginning to find their positions more and more untenable. Hence their desire to join either one of the two colossi.

But therein lies the rub, for not all members in the party are willing to back the same horse. Since most members of the third parties are "middle-of-the-roaders," rather than extremists, their shades of political ideology go all the way from that of liberal almost-Kuomintang-men to that of liberal almost-Communists. Therefore the party splits result in the division of the members into two camps, one of which is willing to "play ball" with the government, the other deciding to back Yenan.

The above, very briefly, gives a picture of the undercurrent of present political tendencies and maneuvers. It shows that as the crisis mounts the third parties fear that they will be washed into oblivion by the tide of civil war if they do not decide to cooperate with one side or the other. Hence the sudden split to accommodate their members and supporters.

Yet there is one other point which also comes into the reckoning, namely, the proposed enlargement of the government through the inclusion of several non-Kuomintang party members. This would naturally provide an unexcelled "opening" for a few politicos belonging to the third parties. And it is pretty obvious which of them would be selected to help "broaden" the basis of the government.

These factors are to be held as the main reason for the recent split in several of the smaller parties whose political basis lies somewhere in between that of Nanking and Yenan. The split, if it continues, may have a highly important effect if, ultimately, it wipes out the third parties

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altogether. In fact it is one of the unfortunate results of the present civil conflict that the "middle-of-the-roaders," many of whom come closer to Western concepts of democracy than anyone else in China, are being relegated to the background and may finally disappear altogether from the political scene. There lies the danger, which mirrors the paramount trends of the present period.

The split in the ranks of the third parties once again brings to the fore the question of what a third party in China should strive for, and what political weapons it should use. That such a third party is vitally necessary no unbiased student of political affairs will deny. Yet the inherent weakness of all "middle-of-the-roaders" is the fact that, instead of uniting under a single general platform of strength and joint action, they are divided into more groups than the two major political factions. Their disunity, and mutual jealousy is undermining the future of the third party. And there is very little time left for them to unite if they hope to survive.

For if the present party splits continue, it will not be long before all third parties disappear through absorption by the two major parties. The result will be to cleave China into two distinct, uncompromising mutually-exclusive camps, without the benefit of a third, neutral group to maintain some semblance of balance.

We judge it one of the prime political essentials at the present time for the creation of a completely independent well-integrated, united third party. Too long have petty animosities and personal jealousies held up the creation of the third party about which everyone talks, but which no one can reckon as a political reality. The third parties have refused to commit themselves on the major problems of the day. Some consider this their trump card. Perhaps it was in the past—but it cannot be today. Today they must choose an entirely independent course to follow. It is either that, or—extinction.

3,000,000 Missing Women

From the Pittsburgh Press.

The Census Bureau reports 3,000,000 women have disappeared from the labor market since war's end. The Bureau admits it doesn't know where they went. That's easy. Look in those nylon lines.

Shanghai Today

THE blessings that have fallen to Shanghai in the year since V-J Day have been few, although the fact that there have been some must be regarded as encouraging. The greatest of these has been the eradication of the Japanese, the would-be empire-builders who held Shanghai in thrall for eight long, wearying years. The little man with the big gleaming bayonet has gone, and along with him "Little Tokyo," that Ginza-like section of Hongkew which more than 100 000 Japanese civilian residents once made their home. The huge job of repatriation, carried out by the American armed forces, was one of the year's outstanding accomplishments.

Victory did not bring peace to Shanghai, however. The coming of Major Schoyer and his plane-load of American Army aides, primarily to aid the Allied nationals interned in the several camps maintained here by the Japanese, was only the starting gun for an influx which almost overnight converted Shanghai into an oversized edition of a mining town in the gold rush days. The American GI, with his China-Burma-India patch, soon became a familiar and welcome sight. His comrade in arms the gob, not blue clad but wearing khaki, too, soon sailed up the Whangpoo to be greeted by Victory arches sporting welcome banners. In their wake came gasoline — and jeeps, six-by-sixes, towering trucks, amphibious ducks and an assortment of other mechanized equipment which caused as much "rubber necking" among residents as the newcomers themselves were indulging in.

Portraits of Chiang Kai-shek and Dr. Sun Yat-sen adorned every other window while the Chinese flag was raised over every home and shop in the city. The Big Four, Truman, Stalin Churchill and the Generalissimo, stared you in the face a thousand times a day. Even Hongkew, to which had scampered back those Japanese who had established more pretentious homes in the western residential areas, sported its share of Chinese flags and Chiang-Sun portraits. This wasn't a change of heart, but a craven effort by abject, defeated imperialists to save ill-gotten spoils.

The effort was unavailing for along with the GI's had come the greatest horde of treasure seekers in China's history. The Shanghai Municipal Government was set up in the wake of a stream of other government and army organs. The confusion was unparalleled, and it continued for months. The initial Communist scare—look out, the Reds are infiltrating into Shanghai — vanished like the mist as American transports flew an entire army under General Tang En-po into Shanghai. A mayor took office, installed officials, set up departments crammed with employees. It was the payoff, as thousands poured in from the wartime capital and other cities of Free China. There was much celebrating much seizing of enemy property, but little if any constructive work. Matters went from bad to worse and complaints eventually reached highest government ears.

Months of procrastination and maladministration bore fruit. A change, overdue, finally came at a time when conditions generally and the high cost of living had passed scandalous levels. Upon youthful, American-educated Dr. K. C. Wu, wartime Minister of Information, fell the burden. He was appointed Mayor of Shanghai this spring when rice had reached the highest peaks in inflation history here. One of the worst features of the rice scandals was the official connivance in the very loans made with a view to alleviating the shortage.

For residents, both Chinese and foreign, there is little doubt that one of the few high-

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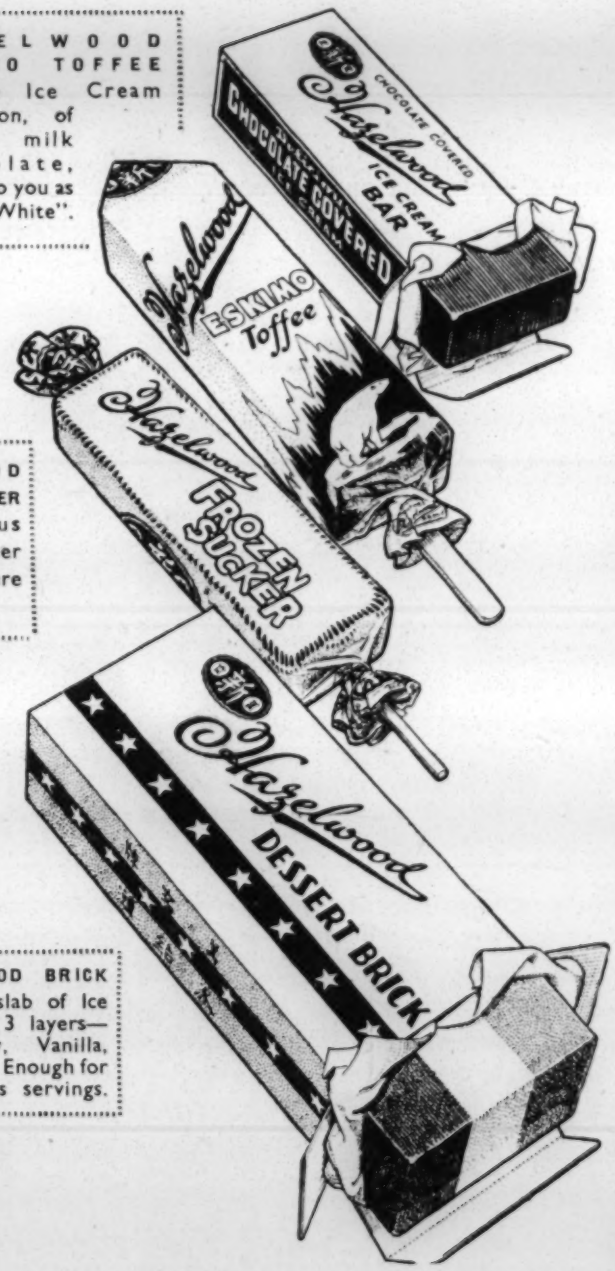

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lights of the year was the appointment of Mayor Wu to this city, to which he brought the experience he gained from his terms as mayor of Hankow and of Chungking. The vital rice problem was solved and the cereal, despite speculators' manipulations, has been held to the official $58,000 per picul for going on three months now. With a number of other commodities, as with other problems of major importance, the mayor has been equally successful. He is the one man here of whom it may be said that he has gained and earned the respect of all, in the face of at times overwhelming odds.

Pilferage, the bane of the importer, is being taken in hand and the promised creation of a new port authority is one of the toughest nuts the Mayor has undertaken to crack in coming months. Another, the black market street stalls, actually inextricably allied with the pilferage activities in that a greater or lesser quantity of its wares are siphoned in by the waterfront robber gangs, constitute another great challenge to the authorities. The river police have passed the buck of responsibility for the pilferage to the municipal police, who heretofore only have passed the buck right back. Mayor Wu, in announcing his new port project and his war on stalls, which must go September 1, has indulged in no such shilly-shallying, but has pledged action. It is confidently awaited.

The year has seen a start finally made on road repairs, which were badly needed inasmuch as virtually nothing was done during the post-Pearl Harbor years. The infusion of new blood into several departments of the SMG has borne fruit and, it is to be hoped, will produce even better results in the coming months. We do not hold with the crystal-gazers who talk elevateds and subways at astronomical cost. For the moment we would rather see the chuckholes in the crowded streets filled in, and effective traffic control introduced which would extend to something more than switching red lights to green and back again. More one-way streets come into being tomorrow, the police have announced. Let's hope they will prove better than, as an example Kiangse Road. Parking lots are another hopeful sign. They will be a boon, if police control is efficient.

Shanghai, home of rackets, has, it would seem, a mayor determined to war on rackets: graft, corruption, inefficiency, profiteering and exploitation, whether in key money, squeeze, commodity prices or any one of a score of other things. Shanghai's new mayor has made a splendid start in his half-year in office. As this first year of peace draws to an eventful close Mayor Wu stands out as the one bright star on a horizon clouded by still soaring living and commodity costs and by the purpler clouds of civil war. Shanghai, thankful for peace a year ago, may not have very much else to be thankful for today, but its millions of inhabitants certainly can thank their lucky stars for a mayor who is on the level and untiring in his efforts to right wrongs and to make the humdrum, complicated business of existence more pleasant for the people of war-weary Shanghai.

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One Remedy For Traffic Congestion

From the Minneapolis Star-Journal

The city planning engineer is proposing for the Minneapolis zoning law, now being revised, a provision which would require all future buildings of certain types to be provided with parking facilities to accommodate the cars of people who use the buildings.

If such a provision is included in the law, all structures which draw traffic, such as business buildings, theaters, auditoriums, hotels and churches, would have to be built with parking facilities in proportion to the amount of traffic they attract.

The idea is that any building which people habitually visit in any numbers for business, pleasure or any other purpose is the real cause of the traffic congestion which results.

It is argued that since such buildings help create traffic congestion, it is a proper use of the city's zoning power to require them to furnish their own parking accommodations.

The Los Angeles zoning law, passed in 1944 and considered to be one of the most modern in the country, adopts this concept and sets up requirements for parking facilities for different kinds of buildings.

The idea appears to be a sound one. Operators of many buildings in Minneapolis have already seen the light and have provided their own parking space. Others are contemplating doing so.

A reasonable and comprehensive provision in the zoning law setting up minimum parking area requirements would lend order and direction to a trend which has already begun.

Where Inflation Is

H. V. Wade in the Detroit News.

Inflation is where the sufferer from an inferiority complex feels like only a million dollars.

India Against South Africa

From the St. Louis Post-Dispatch

THE spiritual birth of India's passive struggle for freedom occurred in the Union of South Africa, which India has accused of discrimination in a complaint to UN. When Mohandas Gandhi was a young man, he gave up a profitable law practice to go to South Africa to fight racial discrimination against Indians there. Despite imprisonment and indignities, Gandhi managed, in 21 years, to have some of the injustices removed. And in the course of his struggle he developed his principles of resistance without violence.

Now the Union of South Africa has passed a bill to restrict the rights of Indians to occupy or acquire land. The quarter-million Indians in the Union are a voteless community, who cannot move from one province to another, cannot use transportation or restaurants reserved for Europeans and otherwise suffer from types of racial discrimination.

South Africa is notorious for drawing the color line sharply among its many races, and India lately has broken relations with her sister in the British Empire. But if Gandhi's early efforts there seem now to have been in vain, still the ideas he drew from his experience have led India long on the road to liberty. As India seeks freedom at home, she seeks it everywhere for her people.

Good-bye, U.S. Spruce

From the Chicago Sun.

A bevy of brave Congressmen poking around in the jungles of government red tape the other day made a rare find. They flushed up a Federal agency which apparently very few people knew existed. It is the U.S. Spruce Corp., organized in August, 1918, to provide wood for the frames of World War I airplanes. The agency, which has been in the process of liquidation ever since, has been placidly immune to wars, depressions, prosperity and changing administrations. Now, it has been angrily ordered out of existence by Jan. 1. Good-bye, U.S. Spruce Corp., we'll miss you.

Perfect Answer

From Teacher's Digest.

One of the examination questions asked: "What is the significance of Nov. 11, 1918?' A member of the class responded: "On that day the armistice of World War I was signed, and there have been two minutes of peace each year since."

25 Years Ago In Millard's Review Of The Far East

Sept. 3, 1921.

Unity First

Great importance naturally is attached to the character of the men China is planning to have represent her at the Washington conference on disarmament and Pacific-Far Eastern problems. Still greater importance attaches to the matters and methods adopted for presentation at the conference. China's delegates at Paris won the admiration of everybody and easily out-maneuvered Japan's representation at the Versailles gathering. China lost not because of the weakness of her case or its manner of presentation, but because the cards were stacked against her. America lost largely because of the same reason. The element of unity at home when China's case is being presented at Washington is more important now even than it was at Paris. At the Paris conference China was able to use her best common sense and for the moment at least bury internal troubles. Unity at home is even more important now and we say this without detracting one bit from either the claims of Peking or Canton in the internal controversy.

* * *

Change

Dr. Jacob Gould Schurman, American Minister to China: "Colossal changes have taken place in China since I first saw it 22 years ago. Then, the Manchus were in power and the Empire, which had lasted for ages, seemed secure for the future; today, China is a Republic. Then, also a system of education was in operation, which for many centuries had supplied the governing officials of China; today, that classical system of education is gone and Western education has taken its place. Then, one heard everywhere that while the Chinese were very democratic in their local affairs, they were not animated by a national consciousness and were lacking in patriotism for the country as a whole; today, despite serious divisions, a strong national consciousness is in existence and an aggressive patriotism is actuating the leaders of China and the rising generation....."

10 Years Ago in The China Weekly Review

August 29, 1936.

Dramatic

There is considerable dramatic interest in the decision of the Chinese Government to appoint Dr. C. T. Wang as Ambassador to Washington as successor to Dr. Sao-ke Alfred Sze, particularly at this time. Both Sze and Wang represented China at the Peace Conference following the World War and both, together with the other delegate, Dr. V. K. Wellington Koo, walked out of the conference following decision of the delegates to confirm Japan in possession of former German interests in Shantung.

* * *

Focal Center

The Red armies are on the march again—this time concentrating on Kansu. Both from Szechuen on the south and from Shensi to the east, one group after the other is making its way over the border. Conditions are very serious, as the only bus route from Lanchow to Sian, Shensi, is constantly being threatened by Reds both to the south and to the north. Marshal Chang Hsueh-liang's campaign against the Communists has had the effect of driving them out of Shansi and Shensi.

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Year Sees Orient Make Strides Towards Independence

By LEO RISSIN.

IF there is one thing World War II did herald, it was an era of change. Not only of borders, but of the economic structures of states, of their inter-relationship. But more important still, the war brought into being a new way of life and a new way of thought. We are still too close to the scene, too full of war-born passions and strife-stimulated ideals, to judge these changes with the detachment of historian. Yet it is these changes alone which will be marked down on the credit side of the ledger when the final "statement of accounts" for World War II is made in the annals of history.

In Europe, of course, the changes are clearer, are more conspicuously manifest. But in essence the changes wrought in the Orient are more permanent, go deeper, because the changes in this part of the world were longer overdue. Europe is returning to an era of liberalism and democracy which was extinguished with the rise of Hitler. The Orient is launching a movement in the same direction, but for the first time in its history. There lies the significance of the movement in the Far East, and the cause of some of its failures and less savory aspects.

It would be no exaggeration to say that every state in the Orient, without exception, has been affected by this new tide of nationalism cum democracy which has swept over the Eastern horizon. In China, India, the Philippines, Indonesia, Vietnam, Siam, Japan, Korea—everywhere—the tide of liberty is at the flow. Here and there, on the outskirts it is beginning slowly to ebb, through external pressure or internal discord, but for all that, it can never recede to the low levels prevailing before the war. It is a historic trend which no power, or group of powers can suppress.

There is no turning the clock back. Asia has learned the meaning of liberty—Swaraj to the Indian, Mederka to the Indonesian, Mabuhay to the Filipino—and there can be no turning back. That is what the war has done to and for the Orient.

* * *

Exploitation At End

BUT everywhere this struggle for liberty and independence has led to bloodshed. Everywhere the tree of liberty has been watered with the blood of a new generation determined to live in freedom or be martyred on the altar of colonial imperialism. The spirit of compromise, of laissez faire which for so long characterized the "easy-going, dreamy East" is no longer there. The war tore from the face of the Imperialist powers the mask of colonial exploitation.

When the little men of legend descended on the treasure troves of Asia from their island empire, the people learned the true meaning of dependence upon, and domination by, foreign states. They learned that only in self-rule is there a guarantee of human liberties, a guarantee that man is an end in himself and not a means for the enrichment of his exploiters. The Japanese set out to create a bogey—the rule of the white man. They ended up by bringing into being an ideal—the eradication of all colonial rule. That is the new background of the Far Eastern stage.

* * *

New Horizons Appear

BUT with new political horizons opening up to the Oriental people, the reawakening of the masses has gone a step further. Empty stomachs, growing inequalities between the rich and the poor, a shortage of labor and ever-mounting prices, have made even the most humble natives realize that ridding a nation of foreign oppression is not enough. They have realized, many of them for the first time, that the economic system prevailing in a state is as much to blame for an empty stomach as a colonial administration bent on bleeding, on siphoning off the best of everything for foreign consumers and for foreign profit. Hence the clamor for agrarian reform, for the distribution of the wealth of the state.

Thus there has been developed, as a result of the war, a two-way stretch on the fabric of Far Eastern politics. Where there has never been independence and self-rule for the people, political emanicipation has been the prime concern of the native people. So it is in India, Indo-China, Indonesia, Malaya, Burma. Where freedom has reigned, there has come into being a struggle for economic change, so in China, the Philippines, Siam, Japan. But everywhere there is a struggle going on, either in the political or economic sphere, and often in both simultaneously.

The growing wave of native consciousness has first battered away at the rock of colonial domination, then, having overcome this barrier, has concentrated on the wall of economic servitude. All over the Orient the first anniversary of the war's end finds this two-pronged attack on the "Old Regime" under way. And there can be no going back.

* * *

WHAT, besides suffering and blood, has this struggle for independence and economic liberty brought to the people of the Far East? Perhaps, in the tangible, there is little to show for one year of peace. But in the hearts of men, wherefrom reforms always spring, and from which they can never be banished, the change is all too evident. A year of peace finds the peoples of the Orient determined that never again will they live in the servitude of the past. They have severed their ties with three centuries of colonial rule. And they have burned their bridges behind them. There is no going back for the people of India, of Indonesia, of the Philippines.

For this remarkable change of heart that has swept over the peoples of the Orient was faultily diagnosed by the "Oriental experts" of the old order. They summed up the change as "war weariness", as the left-overs of "Jap propaganda." It was both, yet essentially neither. Japan gave nothing new to the peoples she conquered; she only quickened the tempo of dissatisfaction and hence, ultimately, their desire to change. In the anarchy of changing administrations and changing economic controls, the peoples of the Orient learned for the first time of the tricks of administration, which they had never known. They began first to see what the machinery of government was, then to see right through it. The result is visible today.

* * *

War Not Fought In Vain

THE changes all over the Orient have been so great that no writer can encompass their scope within the limits of a single article, for everywhere, change has been the dominant feature of the post-war period.

But if the tide has swept everywhere, then it has reached its highest point in India. For the first time in three centuries, India can see the dark clouds of colonial rule slowly but surely passing out of view. Whereas other colonial peoples have made more tangible progress toward self-rule, in India alone is that progress along purely legalistic, constitutional lines. Every advance made by India has been an advance that cannot be defeated. Every concession made by Britain has been a concession that there can be no

"That Beautiful Post-War World"

drawing back from. For that reason India has made the most advance, since all changes are permanent.

If the war in the Pacific led to nothing else but the liberation of India then it has not been in vain. For, for the millions who died on the field of battle, a fifth of mankind can now cast aside the chains of Imperialism.

In India the struggle now in progress is clear enough—Independence vs. Colonial Rule. The Indian leaders are experienced enough to know that just one problem should be tackled at a time. Agrarian reform can come later, they correctly surmise. So for the time being they are concentrating on attainment of their life-long ambition — Swaraj — Independence. The conflict between the Congress Party and the Muslim League must be recognized for what it is—an attempt by a minority to thwart the will of the majority, through the use of religious intolerance and hatred. But sooner or later both sides will come to some accord, for the independence offered India by Britain is too precious to let go. In any case, the new attitude of the British government toward India is in itself a victory for the policy of the Indian leaders. Gandhi and Nehru have known for two decades what they want, now they are determined to have it.

* * *

P. I. Progress Greatest

NEXT to India, the greatest progress has been made in the Philippines. Smaller than India, yet the Philippines have an important role to play in Oriental Affairs. The creation, through constitutional means, of an independent Filipino Republic, is an example which European colonial nations can follow. For the American and Filipino peoples have proven that only through an over-all compromise, with no concessions too large, can outstanding colonial problems be resolved to the satisfaction of all parties. America is stronger in the Philippines today than at any other time in her history—but today it is in spirit. And the ties between the Filipino people and their former rulers are firmer now than in the past. When the red, white and blue tricolor of the Philippines was hoisted over Malacanan Palace on July 4, one era ended and a new, brighter and happier one began for both peoples.

Meanwhile, having attained external freedom, the Filipino people have turned their eyes to internal reforms. The Hukbalahap is more than just another Communist Party. It is a party around which the toiling Filipino peasants have grouped, in order to win control of the land for themselves. After more than a year of "pacification," the Manila government has been unable to subdue the "Huks." What their fate will ultimately be, time alone can tell. But one thing is certain, the fight that they have begun will continue until every Filipino has his own piece of land. Thus, victorious in their fight for independence the Filipino people are divided among themselves.

Indonesia And Indo-China

BUT whereas India and the Philippines have approached the problem of independence through constitutional means, it has been left for the people of Indonesia and Indo-China to fight bayonet with blood, and bomb with faith. The odds against the comparatively untrained and unarmed Indonesian and Annamite soldier in the field are difficult to picture for he is fighting with the weapons of 1900 against the inventions of World War II. Yet for all that, the native populace knows that there can be no turning back. Slowly but surely a native officialdom is arising, and the people are being educated in the tenets of self-rule. True there are extremists who will not leave well enough alone, and allow their subordinates to get out of hand. But by and large, these cases are exceptional.

Today the problems of Indonesia and Indo-China have shifted from the field of battle to the table of conciliation. And as in the smoke of battle, so behind the oaken doors of the conference room, the native peoples have shown their skill in fighting for the only cause they consider just. Their victory has not only been in assuming the functions of government, but in changing the outlook of their former masters toward them. Holland and France have come closer to understanding their new role than ever before. In that they have gained almost as much as the people of the colonies.

* * *

New Era In Japan

HOWEVER, perhaps the most noteworthy change in the Orient is in Japan itself. One cannot, of course, judge progress toward democracy in a year. But it is fairly obvious today that no matter what happens, the Japanese people have gained more from Allied occupation than any other defeated state. The team-work among the Japanese people is as evident in peace as it was in war. Sometimes they may clash over ways and means of implementing their new freedom, but their aim is clear—to return control of the machinery of state into the hands of the people, from whom it was filched by the militarists.

Japan has still far to go along the road to democracy. She is still in the embryonic stage. But her people are beginning to realize the idea of a system of checks and balances, without which no democracy can exist. Therein lies Japan's gain from the war. Perhaps, in a certain sense, there is more hope today in the future of Japan than in the future of any other Far Eastern state. As Japan succeeded in leading Asia in industrialization, so she soon may lead in democracy.

Korea, Malaya, Burma

AND so we come to the states which are still bowed beneath the yoke of colonial rule—Burma, Malaya and Korea. What has the victory over Japan brought them? Has it given them greater hope for the future? Undoubtedly. Their people are still too disunited, too uneducated in the ideals of nationalism and independence to form a solid front in favor of self-rule.

Slowly the spirit of the new times in the Far East are beginning to animate them too. Nationalism is beginning to sink its roots deeper and deeper into the core of the nation. The peoples of Korea, Burma and Malaya are not yet ready to throw off the yoke of foreign rule. But opposition to the rule of foreign administrations is growing. Yet even though they remain under foreign control, their lot also has been immeasurably improved by the war. Self-governing bodies have already been or are being, set up. Their rulers are beginning to adhere to the wish of the masses. Therein lies progress and—hope for the future.

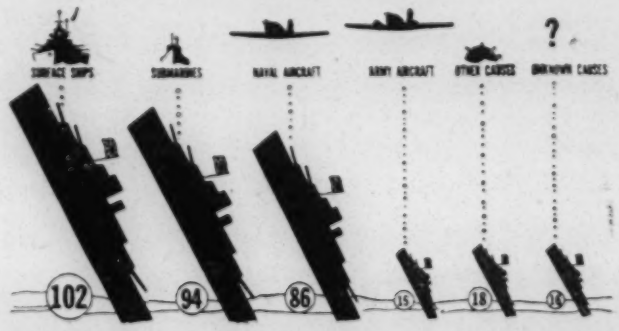
* * *

Asia's Gains Great

ALL in all then, the Orient has advanced more during the past year than, in many cases, during the past century. Even in China, where civil war continues to hover ominously over the nation, the people have come to realize their new role in the changed times. New leaders of the masses are arising, and once the two major parties have arrived at a compromise, the stage will be clear to end the period of political tutelage and inaugurate an era of popular rule. In the advancing consciousness of people, China has won much for herself. The future is uncertain, but the people today know what they want.

So there you have it—Asia after a year of peace. True, that peace is only superficial over large parts of the continent, but for all that the war has provided a stimulus which nothing else could have. For all the evils and suffering that it has brought, the war has aroused a new craving for freedom, a new hope for the future. The European powers today realize, as have the native leaders for some time now, that changes must come. And they know today that all changes will be in a forward direction and not backwards. For, if the war has proved anything, it is that in Asia, as all over the world, there is no turning back the clock.

How The Jap Navy Was Sunk



U. S. Control Of Japan To Shape Future History Of Far East

By LIN WO-CHIANG. (林我將)

THE Fourteenth of August, which this time marks the first anniversary of the surrender of Japan to the Allied Powers, has come and gone. But the flight of time leaves one somewhat alarmed. It raises in every thinking mind, particularly in this part of the world, the question: Has the control of Japan so far been successful? What has the future in store for such an international undertaking in the interest of world peace?

Up to the present the United States is the country that has assumed the onerous duty of keeping Japan in her place. Although she was not the first to be subjected to the savage attacks of Japan, nor the one that had suffered most, the United States was nevertheless foremost in forcefully and ferociously bringing war to Japan, thus convincing her of the futility of carrying on. That American A-bomb dropped from the blue sky above Hiroshima on August 6, last year, had smashed the struggling serpent's head. The Russian invasion of Manchuria three days later was, metaphorically speaking, a mere twisting of the tail, great as the effect on the course of events was.

U.S. Position Logical

Noblesse oblige, as the saying goes, the unique position of the United States relative to Japan today is not only understandable but perfectly logical. And until such time as the Allied Powers are able to shoulder jointly the burden of controlling Japan, the United States would, as a matter of honor and for the sake of her own security, be obliged to continue this function."

"Ever since September 1939, the United States has been confronted with two alternatives: either join the group of nations fighting the Axis Powers and, finally, with them achieve disarmament of the latter and develop a universal collective security system, or rely upon an independent defense system of her own and leave the world to shift for itself. Pearl Harbor decided for her, once and forever, that the days of isolationism had come to an end. Her foreign commitments (or "entanglements," a word now out of favor with Americans), of which the control of Japan forms one phase, as we have seen, therefore come from a conviction that the national security of the United States rests on a foundation broader than her national limits—it rests on world security.

Too Early To Judge

To come back to the first question, it is perhaps too early to make an appraisal of the achievements of the American occupation forces in Japan during the past year. Judging from the statements (the monthly reviews of SCAP) issued by General Douglas MacArthur from time to time vis-a-vis military, political, economic and social conditions of Japan, it would appear that SCAP believes there is not much to worry about. The possibility of a resurgence of Japanese militarism and Fascism seems remote.

However, as appearances often deceive, what Gen. MacArthur has seen might be only that side of the picture which the Japs have been most anxious to present to the outside world under their present circumstances. It is still a question whether or not that the "prophylactic" measures adopted by SCAP for the dissolution of Japanese militarism and Fascism have really gone far enough to prevent their resurrection. Again, a sense of false security, produced by the sweet persuasions and seemingly good behavior of the subdued islanders might lead to a relaxation of alert watchfulness, with serious repercussions to be felt only some years later. Viewed in this light, the responsibility of the United States in this international commitment is very great indeed, and it is only natural that it should have become the object of both praise and adverse criticism.

Warning Sounded

As to the reaction of the Chinese public opinion bearing on the American military administration in Japan, it is more profitable to look at the criticism it offers, than to recapture the paeans of praise that have been sung.

The frank-speaking *Wen Hui Pao*, a Chinese daily published in Shanghai, in an editorial commenting on SCAP recently, says:

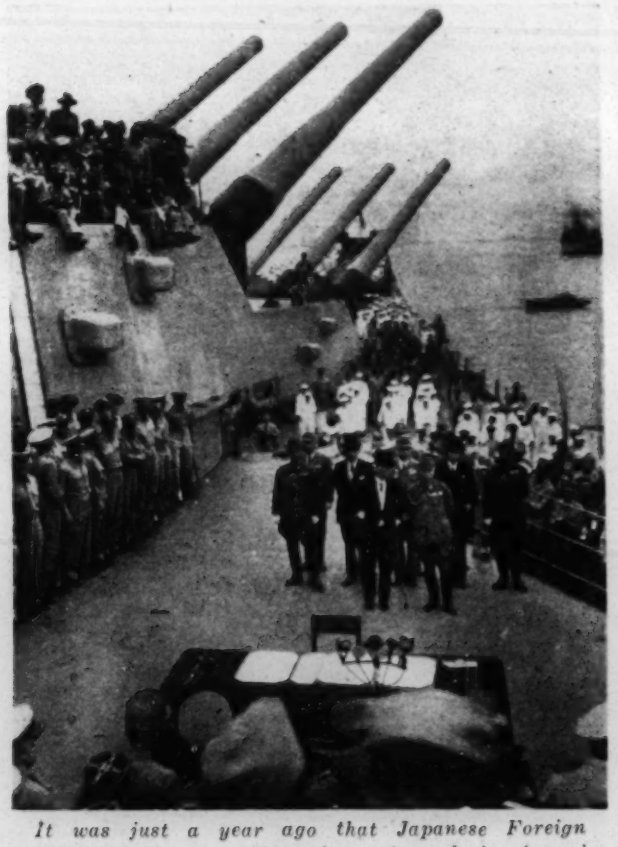
> "....While the American exclusive control in Japan has destroyed the island country's armaments and war industry generally, it has left practically intact her economic structure, which is her mainspring for war-making....Even the forms and personalities of rule in Japan remain the same as before....The Japanese premier was a member of the Tanaka Government which first laid down Japan's plans to invade China. The Seiyukai has changed its name to that of Liberal Party while the Minseito has changed its name to that of Progressive Party. They still control the Diet. Meanwhile, they are in themselves, now a merger of the two, still controlled by big capitalists and landlords....In case of another international emergency in the Far East sooner or later, who can guarantee that Japan will not invade China again?"

If the charge of the above daily paper has any foundation at all, the situation is indeed grave, and SCAP, on whom the responsibility of controlling Japan now mainly has devolved, should in duty bound take the long view of its functions as well as keep a sharp lookout as to what is actually happening. Is there any way to check the advance of the much-feared, allegedly approaching phantom? The writer believes that a constant reference to the principles and plans laid down in the Potsdam agreement by the Allied Powers for the control of the Axis countries after their defeat, is the only way to keep the Allied Powers on the right path to the final goal they had set for the reconstruction of a lasting peace.

Undertaking Immense

Indeed, these principles and plans taken as a whole, ought to serve as an objective standard for gauging the progress of this immense undertaking, which the principal Allied Powers had pledged to see through in the Potsdam Declaration of 1945, following the collapse of Germany and on the eve of the Japanese surrender. What applies to Germany, therefore, applies equally well to Japan, as it was on that basis that the latter surrendered to the Allied Powers. Excerpts of the essential

SURRENDER DELEGATION



It was just a year ago that Japanese Foreign Minister Mamoru Shigemitsu, dressed in formal clothes and using a cane, stands in the front row of a group of Japanese emissaries on the deck of the U. S. battleship Missouri, anchored in Tokyo Bay, just before signing Japan's capitulation documents on September 2, 1945.

points of this document, shown in groups, follow:

Purpose. "The purpose of this agreement is to carry out the Crimea Declaration on Germany. German militarism and Nazism will be extirpated and the Allies will take in agreement together, now and in the future, the other measures necessary to assure that Germany (and Japan) never again will threaten her neighbors or the peace of the world.... It is the intention of the Allies that the German people be given the opportunity to prepare for the eventual reconstruction of their life on a democratic and peaceful basis...."

Disarmament and Demilitarization. "The purposes of the occupation of Germany by which the Control Council shall be guided are:

(1) The complete disarmament and demilitarization of Germany and the elimination or control of all German industry that could be used for military production," (it then specifies the various enemy military and political organizations to be eliminated or abolished, the different arms of war and implements of war, to be destroyed or disposed of; the democratization of the enemy people for peaceful cooperation in international life later; and, the punishment of war criminals, etc.)

Eradication Of Doctrines

Although the Potsdam agreement emphasized military and political matters, it did not overlook the ideological and economic aspects of the Axis countries. It is provided therein that their "education shall be so controlled as completely to eliminate Nazi and militarist doctrines and to make possible the successful development of democratic ideas." Economically, "production of metals, chemicals, machinery and other items that are directly necessary to a war economy shall be rigidly controlled and restricted...."

Furthermore, the enemy economy shall be decentralized, to prevent excessive concentration of economic powers (such as the *Zaibatsu* of Japan, wherein two-thirds of the country's trade and industry was once controlled by the houses of Mitsui, Mitsubishi, Sumitomo and Yasuda). And, to encourage development of agriculture and peaceful industries, while controlling the public or private scientific bodies, research and experimental institutions, laboratories, etc., connected with economic activities. How far and to what extent have the above pledges been executed as regards Japan?

As stated at the outset, the Potsdam agreement was to be an implementation of the Crimea Declaration of February, 1945. In fact, this declaration laid the cornerstone for the Potsdam agreement, and the faithful execution of the latter according to the spirit of the Crimea or Yalta Declaration (here we are not concerned with the "Yalta Secret Agreement" in favor of Russia), if nothing else, will guarantee the success of all the international commitments, including the control of the Axis powers and the cooperation in the United Nations organization.

Unity For Peace Pledged

That spirit is written large in six words—Unity for Peace as for War—as was solemnly engaged by the Allied leaders in the Crimea Conference stating:

> **"Our meeting here in the Crimea has affirmed our common determination to maintain and strengthen in the peace to come that unity of purpose and of action which has made victory possible and certain for the United Nations in this war. We believe that this is a sacred obligation which our Governments owe to our peoples and to all the peoples of the world.**
>
> **"Only with the continuing and growing cooperation and understanding among our three countries and among all the peace-loving nations can the highest aspiration of humanity be realized—a secure and lasting peace which will, in the words of the Atlantic Charter, 'afford assurance that all the men in all the lands may live out their lives in freedom from fear and want.'"....**

The principles and plans of the Potsdam agreement have been discussed in connection with the American control of Japan up to the present. It is imperative that these should also be examined prospectively, to see how far the Allies intend to be bound by the Potsdam engagement, when the time comes for them to share equally the responsibility of administration in Japan, as the virtual American control must end sooner or later.

25-Year Pact Proposed

The proposal of James F. Byrnes, the American Secretary of State, two months ago, foreshadows a joint undertaking in the near future by the four Allied Powers: Great Britain, China, the Soviet Union and the United States. If the proposed draft of a 25-year pact for the control of Japan is accepted and signed by these Powers, it will mean that Japan will be demilitarized according to the Potsdam plan, for 25 years, at least. The treaty would come to force as soon as the physical occupation of Japan can be ended.

This draft treaty contains five articles. Following generally the principles indicated in the Potsdam agreement, article I deals with the steps to be taken for the disarmament and demilitarization of Japan, such an disarming and demobilitation of all of the Japanese armed forces; dissolving of the Imperial Headquarters, the General Staff etc.; prohibition on manufacture or importation of all kinds of war material and equipment, etc. Article 2 provides for the establishment of a four-power Control Commission to supervise the carrying out of the terms of the pact. The other articles have to do mostly with details and procedure.

Shaping Course Of Future

In comparing this proposed 25-year pact with the Potsdam agreement on Germany, it is to be noted that the former is not so comprehensive, nor so strict as the latter. But those restrictions on Germany were intended to be enforced only during the "initial control period," which may probably mean the period of military occupation before the peace treaty is concluded.

If this is the case, it corresponds to the period of the present American occupation of Japan, and it may be presumed that the Allied Powers had also intended that much more stringent restrictions and thoroughgoing control of Japan would be required, than what is to be found in the proposed pact, which will become effective only at the end of the American occupation period and after the conclusion of a peace treaty between the Allies and Japan (this is hinted in Article 3 of the pact.) This, it may be supposed, is because of the fact that more searching and diligent efforts are needed during the "initial control period," when both the "house cleaning" process and patrol of the premises take place simultaneously. This is why so much attention has been focussed on SCAP, whose control of Japan now will have tremendous influence on the course of events in the coming years, for good or for evil.

SOLDIERS HARVEST RICE

A demobilized Japanese soldier (left, foreground) still wears his uniform as he helps harvest rice at home. The Japanese Army was abolished by October 15, 1945 under the orders issued by General MacArthur.

First Year Of Peace Is Year Of Disillusionment In Chungking

By CHARLES J. CANNING

FOR the people of Chungking, the year since Japan's surrender has been one of wishful thinking and of false hopes, rapidly followed by painful disillusionment and bitter disappointment. A comprehensive and unbiased poll of public opinion and street gossip leaves one in no doubt in what direction the political wind is blowing. In fact, it is hardly an exaggeration to say that the year under review has witnessed a series of changes more all-embracing in scope and more far-reaching in consequence than any that occurred during the war.

When the war was on, Mr. and Mrs. Lao Pai-hsing hitched their belts to the last notch and made enormous sacrifices to win the war. Upon the ultimate victory they pinned all their hopes—hopes for national liberation and independence, hopes for peace and prosperity as well as hopes for freedom from want and freedom from fear. To the mounting discontent and grumbling of the people, the government authorities replied: "You simply must grind your teeth and bear it as best as you can. It is all for the sake of the Country. Once final victory is won and the war is over, everything will be normal and you will be able to lead a life of peace and of plenty with nothing to worry about."

War's End Brought Hope

When war suddenly came to an end as the result of the dramatic collapse of the Empire of the Rising Sun, the National Government with the backing and aid of United States armed forces in China accepted Japan's surrender and took over the formerly occupied territories and China was hailed as one of the Big Five in the community of nations. Earnest hopes were entertained throughout the length and breadth of the country that since victory had been won at long last, things would be going much better than before.

Unfortunately, they were bitterly disappointed in this. When the first flush of rejoicing was over, the people realized to their great astonishment and extreme disgust that all was not well on the home front.

First, the ominous clouds of civil war were hanging low over China's political horizon. The war to resist external aggression was hardly finished before widespread fractricidal fighting between the Kuomintang and the Communists broke out again.

For eight years since the war with Japan, the Chinese people have been hoping against hope that the war-born collaboration and solidarity—with only occasional armed clashes—between China's two major political parties might extend to the post-war period of national reconstruction as the leaders of both parties had repeatedly assured the public. But with the renewal of sporadic fighting between the Nationalist and Communist forces the hopes of the people were washed-up. "They are at it again." It is therefore only to be expected that the people should be resentful and their disappointment should be all the more poignant.

War-Time Atmosphere

As I had occasion to point out in a previous article in the Review (July 20, 1946): "One remarkable thing about Chungking is its all pervading and disturbing war-time atmosphere notwithstanding the termination of hostilities. It is nearly a year since V-J Day. But life in Chungking is still dominated by war—this time it is civil war. As ever before war is affecting every aspect of public life and people are asking themselves when they will be left alone to live in peace and security."

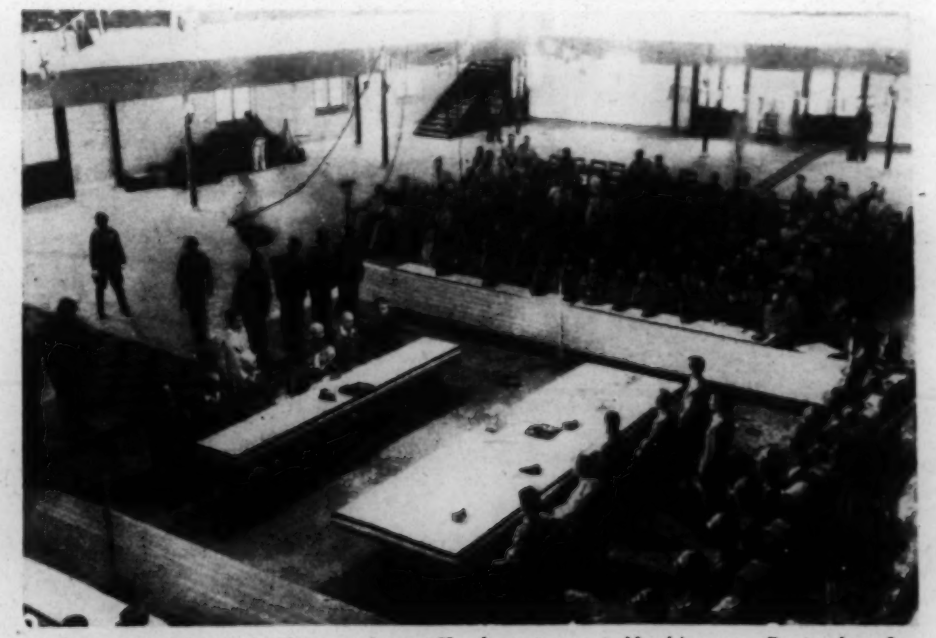
Worse still, post-war life in some aspects has become more difficult and unbearable than it was during the time of war. The reasons are not far to seek. First, there is the deep sorrow of shocking disillusionment. People still held high hopes in times of war. Now with these hopes frustrated, they are getting more and more impatient, sullen and resentful and are easily excited and irritated. Secondly, the control of the Government rules and regulations have proved more exacting and unreasonable than they were during the time of war. Civil liberties and political freedom of the people have been drastically curtailed in spite of all bombastic and high-sounding statements and decrees to the contrary. More surprising is the growth of lawlessness. The smashing of newspaper offices, the shooting of strikers and agitators, the unlawful arrest of persons by secret agents, the beating up of bona fide citizens by hired hooligans, the unlawful confiscation of private property, the suppression of dangerous thoughts, etc. have become fairly common occurrences.

Personal Liberties Violated

Two incidents that happened in the first half of August are both interesting and instructive. One is the smashing of the offices of the Kuo Ming Kung Pao, organ of leading conservative Szechuan bankers, by armed soldiers of a certain government arsenal, who stormed the place and beat up everybody they could lay their hand on. The other is the unlawful "taking over" of the Chungking branch of the China Labor Association by the Chungking General Federation of Labor. Both the Association and the Federation are labor organizations that have been registered and recognized by the Kuomintang and by the local government. The only difference is that the former is under the leadership of liberal and progressive labor leaders while the latter is controlled by Government agents. One morning the Federation with the aid of a large number of plain-clothes men and police constables forcibly took over the Chungking branch of the Association and its affiliated organs including a workers' hospital and a workers social center and put all the staff of the Association under arrest without any warrant ever being issued by the local judicial authorities.

The spokesman for the Federation claimed to have obtained prior ap-

JAPANESE SURRENDER IN NANKING



In the auditorium of Chinese Army Headquarters at Nanking on September 9, 1945, seven members of the Japanese surrender mission signed the document which formally brought an end to the war in China. This photo was taken at the precise moment when General Okamura, Commander in Chief of all Japanese troops in China affixed his signature to the instrument. Opposite the table of surrendering Japanese was the Chinese mission headed by General Ho Ying-chin, then Supreme Commander of Chinese armies. At the long table to the rear of the picture were representatives of all of the Allied nations.

proval from the Chungking Municipal Government, but the secretary-general of the Municipality denied to newspaper correspondents any advance knowledge of this ugly affair.

When the property of the Association was being taken over, the traffic in the neighborhood was stopped and blocked by agents of the Federation wearing red arm bands to show their identity. It really is extremely difficult for foreigners to understand why a labor organization has the right to take over the property of another labor organization and clap the functionaries in jail, and stop traffic in the street. Just imagine what would happen if Mr. Green's American Federation of Labor in New York should forcibly take over the New York branch of Mr. Lewis's CIO with the aid of the New York police and have the functionaries of the CIO arrested and denied food for several days. But here in Chungking, the gentlemen of the Chungking Federation of Labor are having an easy time of it.

Newspapers in Chungking are now talking about the "craze of smashing up things and beating up persons." It is highly interesting and signicant to note that this craze did not make much headway until the conclusion of the war with Japan and the fresh outbreak of civil war. The breaking up of mass meetings and the beating up of persons by hired rowdies and agents provocateurs at Chiao Ch'ang K'ou and Ts'ang Pai Tiang are still fresh in the memory of the public and yet agents who played an active part in these incident have already been promoted to key posts.

Year Of Depression

So much for politics. Now let's turn to the economic aspect of the situation. True, commodity prices in Chungking reported a sudden precipitous slump shortly after V-J Day, ranging from 50 percent to 100 percent as compared with the war-time peak. But it must be borne in mind that this dramatic drop did not last very long and did more harm than good as shown by subsequent events. As everybody knows, close on the heels of the sharp fluctuation in prices there followed an unprecedented and acute economic crisis, resulting in the closing of a large number of industrial plants and business firms.

During the first several months after the surrender of Japan, the National Government was completely occupied with taking over enemy and puppet factories and plants to the neglect of the hard-pressed factories in the Chungking area, which were simply left to their fate. The industrial loans granted by the Government banks were too small to be of any real help. The situation was further aggravated by the steady penetration of cheap foreign goods. Although no comprehensive statistics are available, it is generally believed in well-informed industrial circles that more than 60 percent of Chungking's factories have closed.

200,000 Stranded

Today, one year after V-J Day, there are still 200,000 employees of the various ministries and agencies of the Central Government in Chungking waiting impatiently for transportation to Nanking. According to official estimates, it will probably take seven months at least to move these people, circumstances permitting. Many refugees and evacuees have sold their possessions in order to be ready to go home. But now they are still here living from hand to mouth.

The sorrow of disillusionment following the blasting of long-cherished hopes is usually painful and sometimes leads to utter despair. But it also makes people look the facts in the face and forces them to do some hard thinking. What's the way out? That's the question the people are now asking themselves. The answer to this question has not been found. But an answer must be found one way or another.

New Political Consciousness

The presence of the National Government in Chungking for eight years has done much in developing the political consciousness of the people. What answer the people of Chungking will work out is worth noting. Despite the floods of inspired vociferous hullabaloo demanding the suppression of internal rebellion, the Chungking Municipal Peoples Council overwhelmingly adopted a resolution to address urgent appeals to President Chiang Kai-shek and Communist Boss Mao Tse-tung for peace. That is something highly significant.

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Recovery, Expansion Of China's Cotton Industry Discussed

By WU VIEKING

(吳 昧 耄)

CHINA is the fourth cotton growing as well as the fourth cotton manufacturing country in the world. She is next to America, India and the U.S.S.R. in cotton growing and next to the United Kingdom, America and India in cotton manufacturing. The climate and soil are very suitable for cotton crops over the length and breadth of the country, but both the quality and quantity of the crop are inferior to American and Egyptian standards, mainly due to the lack of scientific methods in cultivation.

Recently an ambitious plan, aimed at boosting China's cotton production to the pre-war level within three years was vigorously launched by many agricultural research bureaus and textile associations, which have brought in tons of high grade American cotton seed for distribution to farmers in various cotton growing districts. Financial support and bank credits will be granted to cotton growers. It is hoped that next year cotton production will be around 10,000,000 piculs as compared with the maximum pre-war output of 16,000,000 piculs, which total still would be insufficient for China's domestic consumption for the coming years, during which a supply of foreign cotton will be needed.

Pre-War Figures Given

The following table shows world cotton production by countries, average 1935-39:

Estimated world total in bales of 500 pounds each	30,980,000	
U.S.A.	13,149,000	or 42.40%
India	4,643,000	or 15.00%
U.S.S.R.	3,430,000	or 11.20%
China	2,855,000	or 9.20%

Estimated cotton consumption by countries, average 1932-38, is shown as follows:

Total world consumption in bales of 500 pounds each	27,945,000	
U.S.A.	6,454,000	or 23.00%
Japan	3,449,000	or 12.32%
United Kingdom	2,752,000	or 10.00%
India	2,642,000	or 9.50%
China	2,152,000	or 7.70%

The area of agricultural land in China is about 1,359,000 square miles, of which about 340,000 square miles are cultivated. The number of square miles for cotton cultivation is 12,030 or a little less than one percent of agricultural China, which indicates China's potentiality for cotton production. The figures are arrived at from the fact that from 1932 to 1937 inclusive, the average land for cotton cultivation was 46,000,000 mow which is equivalent to 7,700,000 acres or 12,030 square miles.

With a view to carrying out the post-war agricultural development, the Ministry of Agriculture and Forestry is taking pains to deal with all problems connected with cotton production. Large scale reclamation of waste land, application of scientific methods in irrigation and improvement of technique are being undertaken, and a 10 percent increase in the crop can be immediately realized. It is interesting to compare that in America an acre yields 250.9 pounds of lint cotton per annum while in China one mow (1/6 acre) yields 26 lbs. or 156 lbs. per acre, which is 60 percent as compared with the American yield.

Mission Drafts Plans

The China-US Agricultural Mission, headed by Dean C. B. Hutchison, after its 4½ months survey of China, will draw up a comprehensive program designed to advance all phases of China's agricultural problems. If the Mission should be successful in its plans, the lot of the Chinese farmers in general and of cotton growers in particular, will be greatly improved and China will be a richer and happier country. The wealth and prosperity of China depend upon the progress and development of the cotton industry, in this writer's opinion.

In the past, cotton yarn constituted one of China's largest imports. Due to increased home cultivation of cotton and erection of cotton mills since World War I, imports of cotton piece goods fell considerably in pre-war years. Despite the devastation of cotton mills and a reduced cotton crop brought about by the war, a spirit of optimism among Chinese industrial circles runs high. An era of unprecedented prosperity is believed to be dawning upon the textile industry, which is confident that China will stage a quick recovery and start on a program of post-war cotton mill expansion. In a few years China will operate 7,000,000 cotton spindles and cotton consumption ultimately will rise to 20,000,000 piculs as compared with the current year's consumption of about 5,000,000 piculs and next year's consumption of about 9,000,000 piculs. China will look to America, Brazil, Egypt and India as sources of supply.

Imports of foreign cotton from 1931 to 1939 were as follows:

		quintals (2 new piculs of 110 lbs. each)
1931	2,800,000	,,
1932	2,200,000	,,
1933	1,200,000	,,
1934	1,100,000	,,
1935	500,000	,,
1936	400,000	,,
1937	153,900	,,
1938	165,932	,,
1939	2,477,500	,,

The abnormal increase in cotton imports in 1939 were due to the effects of the war on domestic production.

The following table shows China's production of cotton, prior to the outbreak of war:

	Area in mow (1/6 acre)	Yield in quintals
1932	37,599,800	4,902,200
1933	40,454,000	5,911,340
1934	44,971,260	6,774,850
1935	35,025,890	4,924,750
1936	56,210,470	8,750,270
1937	59,316,340	6,361,000
1938	17,148,000	2,297,000
1939	17,494,000	2,862,000
1940	20,897,000	2,975,000
1941	20,560,000	2,628,000
1942	20,276,000	2,267,000

The best cotton producing areas in China are Tungchow and Ling Pao. Tungchow is about 100 miles north of Shanghai and the staple grown there can be spun up to 32's yarn while Ling Pao is grown in Shensi province from American seed, the staple of which can be spun up to 42's yarn.

Estimated cotton production in 1937 and 1946 by provinces as furnished by the Chinese Mill Association is given below:

	1937		1946	
	area in mow 1/6 acre	cotton in piculs 50 kgs.	area in mow 1/6 acre	cotton in piculs 50 kgs.
Hopei	13,352,240	2,685,822	3,621,300	722,606
Shantung	5,574,687	1,630,357	1,634,365	473,879
Shansi	2,287,141	629,049	594,660	176,134
Honan	6,462,611	1,357,522	1,869,343	413,000
Shensi	4,825,093	1,067,612	1,888,805	518,061
Hupeh	7,946,387	1,517,337	4,169,917	963,532
Hunan	720,873	148,577	1,161,425	246,161
Kiangsi	91,605	22,606	82,445	20,345
Ankwei	1,973,000	514,953	197,300	51,495
Kiangsu	11,823,775	2,231,015	3,755,140	775,541
Chekiang	1,627,636	495,894	451,830	129,590
Szechuen	2,131,296	321,849	3,373,379	527,471
Total ...	59,316,344	12,799,910	22,799,910	5,007,800

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China's 1945 cotton crop was the smallest since 1919, an abnormal decrease of more than 36,000,000 mow and nearly 6,000,000 piculs, or 62 percent and 61 percent respectively.

Shortages Long Felt

In 1937, more than 60 percent of China's spindles where located in Kiangsu with Shanghai as the most important textile center, having approximately 40 percent of spindles. Kiangsi and Hupeh provinces are among the cotton production centers, but owing to the concentration of cotton mills, these two textile centers are always short of raw cotton, large quantities of which have to be imported from the Northern provinces, India and America. Prior to the war there were in China, including Manchuria, 5,100,000 spindles and 50,000 looms, producing approximately 2,200,000 bales (400 lbs.) of yarn and 30,000,000 bolts of cloth (40 yards) respectively. The finer yarns needed for weaving mostly were imported.

Taking the 20's yarn as a basis of calculations, each spindle required approximately one pound of cotton and produces .9 pound of yarn per day of two shifts, and with 300 working days in a year, each spindle consumes about 300 pounds of cotton a year, or 2.7 piculs (110 lbs.). It is estimated that at the end of 1946, 3,000,000 spindles will be running which at the end of 1947, about 5,000,000 spindles will be running Based on these figures, China will consume about 13,000,000 piculs in 1946-47 while her domestic supply of cotton for the two seasons, including foreign cotton in transit, is about 8,000,000 piculs, thus leaving a deficit of 5,000,000 piculs of foreign cotton to be imported to keep all her spindles running.

U.S. Crop Inadequate

Reports from America indicate that the 1945-6 cotton crop is not very promising, being around 9,200,000 bales, the total of which is insufficient for America's domestic consumption, estimated to be about 10,000,000 bales. The carry-over is estimated to be 7,600,000 bales, leaving very little for export as compared with the total of cotton exports prior to war. The Agriculture Department reports that the cotton carry-over plus the 1945-6 crop will be at the lowest level in 17 years. Besides, the American Government is considering withdrawal of the government subsidy on cotton exports. Due to political disturbances and the lack of transportation facilities, there has been a limited stock of native cotton in Shanghai. The short and coarse staple grown in the vicinity of Shanghai is being quoted at about $117,000 per picul while American low middling is quoted on the Shanghai market at around $135,000 per picul, based on N. Y. quotations at US$0.35 a pound (Aug. 13).

As a sheer requirement each Chinese consumes on the average 20 yards of cloth a year. Thus the annual consumption of cloth in China would be 225,000,000 bolts of 40 yards each. Taking 12 lb. cloth as a basis of comparison, China annually needs about 2,700,000,000 pounds of cotton, or 25,000,000 piculs (110 lbs.). In order to supply the sheer need of the masses China should have at least 9,000,000 spindles and 375,000 looms on the basis of one loom producing two bolts of cloth in a day (one day and one night shifts) and of one spindle producing .9 lb. of 20's yarn, per day, working 300 days in a year. But at present China's total spindlage is only three percent of the world spindlage with each spindle supplying the need of 100 persons while the total number of looms is only 1.5 percent as compared with that in all industrialised countries, with each supplying the need of 2500. Added to power looms there are numerous small weaving factoris operating wooden looms, supplying the need of the peasant and working classes.

6.7 Lbs. Per Capita

The annual world consumption of raw cotton per capita is 6.7 lb., and based on this figure of calculation China should consume more than 3,000,000,000 pounds or 30,000,000 piculs, a 100 percent increase over her present consumption, which is within the realm of possibility. It is estimated that about 70 percent of the cotton crop in China goes to cotton mills while the rest is used for making cotton gowns, cotton quilts and other domestic articles.

Continued civil war, continued inflation, lack of communication facilities for transportation of materials and high cost of labor are among the chief handicaps temporarily confronting the industry.

The industrialized countries, such as Great Britain, America, India, Japan, etc. derive their national strength from their textile trade.

Nothing Much Left Except The Fun Of Catching Them

—Carlisle in N Y Herald Tribune

With the elimination of Japan from the world's textile market, China would not be threatened by strong foreign competition as she produces chiefly low counts of yarn, grey sheetings and shirtings, for her domestic market.

1,000,000 Spindles Ordered

It is reported that Chinese cotton manufacturers have recently placed orders for more than 1,000,000 spindles in America and Great Britain through their agencies in China, the deliveries of which run until the end of 1950. Some millowners have bought secondhand mill machinery from America direct. The outstanding foreign firms in Shanghai which recently have received orders from Chinese manufacturers are: Messrs. Andersen, Meyer Co., representing Saco-Lowell Shops; Messrs. Elbrook, Inc., representing Within Machine Works; the Textile Machinery Agency, representing Messrs. Platts and Howard and Bullough.

In order to make our cotton mill industry operate successfully on a permanent basis, we should organize corporations like trusts with large-scale production as the chief objective. In purchasing raw materials and selling manufactured products many mills act as a unit, thus obtaining a better rate for transporting goods and reducing many unnecessary expenses to a minimum. Broad woven fabrics should be turned out for export trade. Each mill should produce its specialized articles.

In a few years the Chinese textile industry will be so expanded and developed that it will be in position to take over a large share in the trade of the South Sea territories. In order to participate in this market, the China Textile Industries Inc. has petitioned the Executive Yuan to remove the ban on the export of cotton piece goods, so that the South Seas markets can be supplied. Although China at present is facing a great shortage of textiles, she also must remember that overseas markets are essential to the economic welfare of the nation. China is given the opportunity of a life-time with the elimination of Japan in this region. She must grasp this God-sent opportunity now, otherwise other nations will do it. Recent reports indicate that Britain and India are exploiting this market and are shipping low-priced articles to supply the urgent needs of the people there. The high wages and the shortage of cotton piecegoods for domestic consumption are the two main factors that have prevented China from capturing this market, and in order to revive the former position of the textile trade in this area, China must try to reduce the prices of textiles by one-third.

China's cotton production should increase in keeping pace with the increasing demand, due to the rapid recovery and expansion of cotton mills, especially during the next few years, for cotton production and cotton manufacturing are interdependent.

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Shanghai's Road Back Said Thorny; Year One Of Futile Efforts

SHANGHAI'S road back to pre-war "normalcy" has been only partly traversed. And that part of the road which lies behind had been thorny and staggered with stumbling blocks. The "good old days" will hardly ever be here again, while new and better times are not even round the corner.

To substantiate this assertion it is only necessary to cast a furtive glance back into October 1945 when American troops landed in China (at last) and Communist troops were reportedly deployed around the city. Return into today and read an item in the local papers: "Through the apparent menace of a potential Communist uprising in Shanghai, the American armed forces here, both Army and Navy, were restricted to their billets...."

The above item, whether true or false, is a fine indicator that the much desired normalcy, which this city's population expected to set in right after the Japanese capitulation, is still far off.

Out Of The Blue

How this normalcy was expected to return one could witness by walking along expectant Nanking Road, past the Race Course, one day last September. Such buildings as the Park Hotel, the Y.M.C.A., the Pacific Hotel and a dozen other tall buildings on the main thoroughfare were practically covered with the luckier representatives of this city. Roof garden space went for key money, window space for friendship—only sidewalk space was there for the asking. One and all of the many thousands who were breathlessly if a little nervously expecting 3:00 p.m. of that September day, took up vantage posts to witness the great event, the magic carpet operation, the out-of-the-blue descent of a certain paratrooper unit of the United States armed forces on the vast open spaces of the Race Course. It was to bring the security, the peace, the normalcy.

Now everyone who was there knows: nothing happened.

Much in the same mood thousands thronged to witness the landing of Marines from Okinawa (the nearest spot to China) and march past along Nanking Road.

Again, nothing happened.

Little By Little

Shanghai was taken over from the Japanese gradually, in no spectacular mass surrender. The city was being gradually filled with uniforms to which the eye grew only slowly accustomed. Large six-by-sixes rolled, as it seemed then, thunderingly, through the streets, and GI Joe, whom we have come to know by now so well, was then only a handsome stranger, tall in comparison to the Japanese and exuding a faint odor of romance and mystery.

Peace did not come all of a sudden, it came in stages, which we were surprised to record later on. Normalcy never came, and if it does come, it will arrive just like the peace, "on little cat feet," too subtle to startle and overjoy.

Soong Arrives

How our relief and rehabilitation problems then stood we remember by the arrival of Dr. T. V. Soong, unheralded and unannounced, in early October. One of the main subjects of discussion then, and we may add, just as now, was the reopening and operation of industrial concerns, shipping and communicatons.

As long ago as October 1945, Lo Lung-chi, Democratic League leader, declared: "Americans have always helped China, and we welcome their aid in disarming the Japanese, but it is possible that if the Government troops follow the Americans into the cities occupied by the Communists, there may be trouble."

John Ahlers wrote that one of the urgent things China needs is a fleet of coasters. The CRB much inflated and hated by one and all was still passing from hand to hand while the population lived from hand to mouth.

Around that time Chou En-lai, Mao Tse-tung and U.S. Ambassador Hurley

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took their pictures in Chungking and "China Covers Big Stretch On Long Road To Unity," was what a lot of people thought. Gold was then quoted at CNC$62,000 and the U.S. dollar at 1050. Rice sold for CNC$7000 and the general living index was announced at 29,924, with 1936 as the 100 base.

Cotton mills, some of which are today prospering, were then at a crossroads and the much thrown about question of the taking over of enemy mills was then first set on the agenda by industrialists.

Around the middle of November a Government spokesman said that plans were being considered for the bridging of the Whangpoo with possibly a couple of tunnels worming their way beneath the water to make Pootung a real and effective part of Shanghai.

Education Wanted

China's students, after eight years of war, wanted a liberal education, and it may be added, still want one. They had remained loyal to China throughout the war, their studies were interrupted by the hostilities and they were desirous of catching up on time lost.

What we take to be natural today —the right hand drive—created quite a stir around January 1, 1946, but on the whole even American papers mentioned the fact that there was no wholesale slaughter on account of the switch over.

Shanghai's housing problem, accentuated during the war by Japanese seizures and evictions of tenants from apartments and residences, became more acute around December, when key money, although officially prohibited, was clandestinely quoted in gold bars, house owners scorning the humble CN.

Shanghai Germans still retained their war profits, walked unmolested in the streets and did business as heretofore. This was to a certain extent understandable as the Government had its hands full of other more pressing problems than investigating the activities of Nazis. The recent repatriation of these people to their native land and the forthcoming trial of Bureau Ehrhardt members will climax long months of public and private accusation.

Chinese puppets were nabbed one by one and the peer of them all Cheng Kung-po and his wife, were tried at Soochow. Lesser traitors came and went, mostly into jail for sizable prison terms.

Optimism Needed

Casting this cursory glance over the months which have elapsed since V-J Day one draws the conclusion that things are going on in this city, it, in turn, is going somewhere and will probably someday arrive.

The question, however, is where and when? It is the uncertainty of the trend that takes away people's appetites and brings them insomnia.

Uncertainty, it seems to us, is the leit motif in Shanghai's post-war introduction and rondo. Uncertainty, today, is the only thing Shanghailanders are certain of.

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AMS Launches Reform Program; Chinese GI's To Get Better Care

By CHANG CHI-CHUNG

Shanghai, August 23.

THE Army Medical Service of China—known formerly as the Army Medical Administration—has had a history of more than 40 years. But strangely enough, most people in this country are not aware of the important role it played as an independent unit in the Army, namely to safeguard the health and saving the lives of the Chinese soldiers.

During the eight years of war against the Japanese the Service was not only handicapped by inadequate medical supplies but also by a lack of efficient personnel in the care of the sick and wounded. This has caused a greater percentage of deaths among the soldiers than was necessary. Realizing this, the Directorate of the Army Medical Service departed from its somewhat conservative policy for the first time in its 40-year history and embarked on an extensive program of reform recently. Among the many measures taken, the establishment of an Army Medical Center and the training of medical personnel in America are the two most notable ones.

A machine will not function properly unless all its component parts are assembled and adjusted in the right order. This principle is universally true, especially in the operation of an organization as big as the Medical Service whose activities cover practically all fronts of action and wherever troops are stationed or bivouacked. In the past there was little collaboration and coordination among the numerous units of the Service scattered all over the country, due mostly to poor communications and a lack of essential equipment.

Medical Center Set Up

In trying to overcome this shortcoming, the Directorate set up the Medical Center at Kiangwan, Shanghai; so that the various units will work together with the highest amount of efficiency, and that the Service will be able to meet the needs of our national defense. The Center, headed by Surgeon-Generals Dr. Robert Lim and Dr. Kin Cheung, is made up of the Army Medical College, Army Dental College, Army Field Medical Service School, Army Nursing School, Army Hospital, Army Sanitation Experimental Institute, Medical Battalion, Blood Bank and the Army Medical Library.

If all these institutions that form the Center can be brought to cooperate fully with each other they will hasten the Service's progress at least by a few decades. Dr. Lim has been the head of the Directorate of the Army Medical Service, and Dr. Cheung was the dean of the Army Medical College. They were widely known for their services during the war, and it is generally conceded that the Center, under their leadership, will live up to the expectation of the authorities in founding it.

Fellowship Exams Held

On July 1 this year a fellowship examination, the first of its kind, was

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held at Kiangwan, Shanghai, by the Directorate. Of the thousands of applicants 120 were selected. Being divided into five groups, namely the Administration, Medical Battalion, Hospital, Medical Supply and Instruction groups, they will start for America for further study in their respective fields by the end of August this year. All expenses are to be paid by the Government, and upon their graduation they will be assigned to modernize our Army medical setup. Their future activities will also be directed to enlist more doctors, especially those who are fresh from colleges and universities, to serve in the Army. The goal set by the Army is 20,000, which is 10 times its present number. The number of qualified doctors the Army has is, of course, far from sufficient to meet the demand.

The last examination held in July was divided into three parts: physical, written and oral. Particular attention was paid to whether the applicant has trachoma or tuberculosis. If one fails in the physical he is out. In the written test you are required to answer questions on the Three People's Principles, Chinese and English compositions, besides those on the courses you are specialized in, such as dentistry, preventive medicine, medical supply, field medical service, surgery, sanitary engineering, nursing, internal medicine, pre-clinic medicine and others. The passing grade is 60, and the full mark is 100, tabulated as follows:

The Three People's Principles and Chinese Composition	10
English Composition	25
Specialized Courses	35
Oral Quiz	30

New Era Ushered In

It is hoped with the establishment of the Army Medical Center and the holding of fellowship examinations that a new era of Army medical services will be ushered in and that the Chinese Army Medical Service will be built on a modern and sound foundation.

MacArthur Issues Report On Korea

IN spite of natural disaster of floods and cholera, in addition to increasing difficulties brought about by inflation, progress continued in the political, social and economic rehabilitation of Korea, General Douglas MacArthur announced in his monthly report on the United States zone below the 38th parallel.

The worst floods in 20 years washed out 20 percent of the summer grain crop, reducing the estimated harvest to less than 60 percent of the 1940-44 average, the report declared. The rice estimate is only 70 percent of the average for the same period.

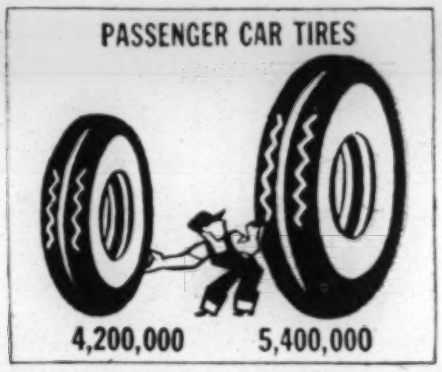
The military government fought the rising inflation by controls over the sale of commodities, the establishment of a National Economic Board, a program for the collection of summer grains to prevent maldistribution, and with price fixing through a national price administration, operating under the Economic Board.

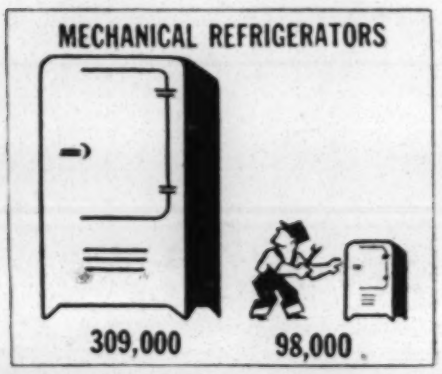
The floods contributed to the spread of cholera, which was introduced by Korean repatriates from China, by washing out communications and blocking attempts to fight the disease.

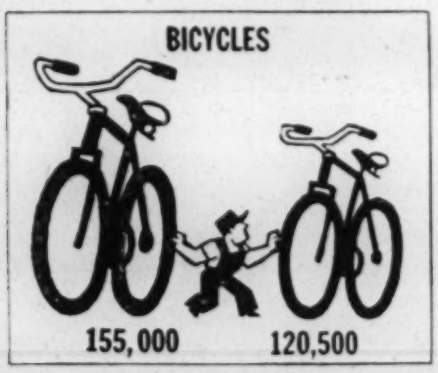
The elections conducted in the American zone resulted mainly in victories for independent candidates for the township, county and provincial councils, with the extreme right-wing forces second and the Communists third.

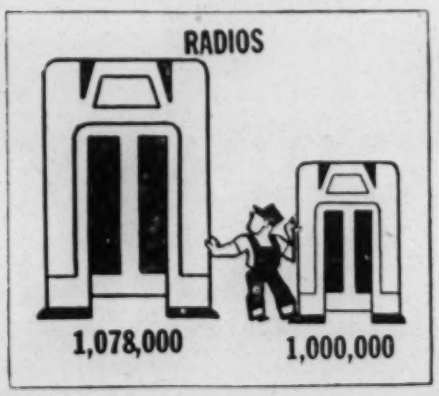
Output Of Goods . . .

Pre-war monthly average	Latest monthly average



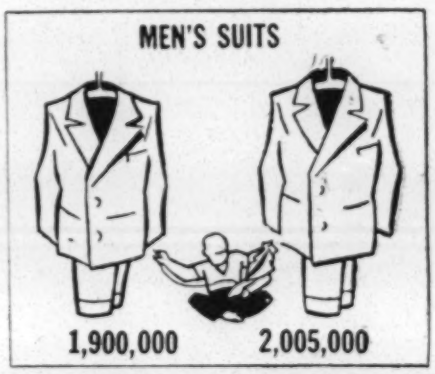


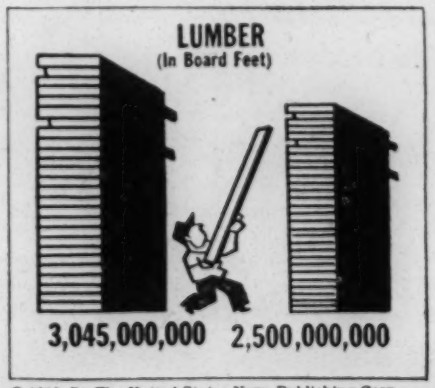




. . . A Comparison

Pre-war monthly average	Latest monthly average





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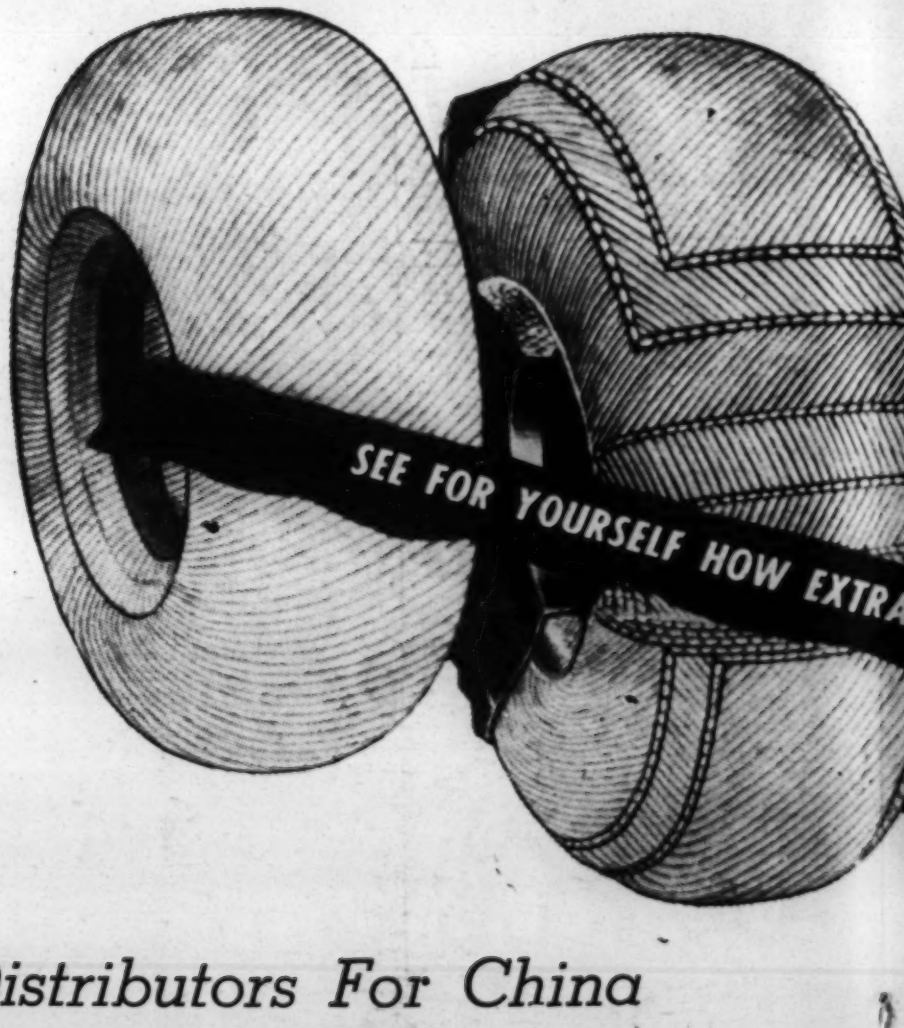

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New Chinese Farmer Materializing, Noted Communist Writer Says

By SHEN CHIEN-TU.

Yenan, Aug. 14.

UNPUBLICIZED, the new Chinese farmer has appeared in former anti-Japanese war bases behind enemy lines in China. Trade and prosperity of China will also mean the prosperity and trade with the more than 100,000,000 farmers in these liberated areas which form one-third of China embracing the North Kiangsu seaboard, Northern Honan and the major part of Shantung, Hopei, Shansi, Suiyuan, Chahar, Jehol and the Shensi-Kansu-Ninghsia Border Region and Manchuria.

Though changes may be variegated and uneven for different liberated areas, the general trend is the same —more equitable distribution of land ownership, increased production and rising standards of living.

Never in the history of China has there been such a reshuffling on such a grand scale of north and south, urban and rural population, white-collar workers and tillers of the soil, as that which occurred during the anti-Japanese war when Japanese troops occupied the cities and pushed thousands of rural anti-Japanese bases to carry on a war of resistance. Eight years of contact with urbanites in a toe-to-toe struggle with Japanese and collaborationist forces have left their mark on the vocabulary of farmers in liberated areas.

New Era Dawns

In the older liberated areas, any farmer will talk to you placidly of "mobilization," "problems to be overcome," "labor exchange teams," "mutual aid," "cooperation," "reactionaries," "organization," and "meetings." "Let's call a meeting!" is their cure-all for all tough problems and tough nuts. Farmers said that they learned this from the Eighth Route Army, which they declared, does not pass a day without a meeting.

If Bacon was right in saying that discussion maketh a ready man, then farmers in liberated areas have plenty of chances to practise their wit the whole year round. In addition to election meetings when they do not spare words for incompetent officials, they have production meetings, labor champion meetings, mass organization meetings, study meetings, family meetings and last but not least "talk reason meetings."

"Talk reason meetings," were invented to thrash out a matter in public when ordinary means of settlement had proved futile. These are usually village meetings or even mass meetings of several villages to reason with obstinate landlords who refuse to reduce rent and interest according to law, convert loafers into their production front, and deal with corrupt officials, village bullies and even inveterate wife-beaters.

Accounts Squared

They took on a sterner character in "square accounts" or "arraignment" meetings after the Japanese surrender to deal with collaborationists and puppet officials. Minor war criminals may escape the eye of international justice, but traitors seldom escaped the eye of these villagers, who were victims when collaborationists were in their heyday under Japanese occupation.

In areas newly liberated after the Japanese surrender, the day for which millions had been looking forward arrived when a square-accounts-with-traitors movement swept through the countryside. In a horseshoe shaped area round the Gulf of Chihli in Shantung, for instance, more than 1,500,000 farmers, including old men and women who had never known mass meetings in their time or of their ancestors' before them, took part in monster meetings to arraign traitors and make them disgorge their ill-gotten gains. Some 340,000 farmers were reported to have joined farmers' associations in the course of the movement in this area. Farmers in these newly liberated areas are expected to plunge into a rent and interest reduction movement after eliminating collaborationist forces.

Learned The Hard Way

In the fight for existence amidst the stress and strain of war, famine, floods, and locust pests behind Japanese lines, farmers have been taught teamwork, by their popularly elected governments, which they had never been able to learn for centuries under the rule of dynasties, feudal lords and landlords. The Japanese and Kuomintang blockade and famine through flood or drought were cruel teachers of teamwork which slowly and irresistibly swept aside resistance to change and barriers of convention and customs.

In the older liberated areas in Hopei, Shantung, Shansi and the Shensi-Kansu-Ninghsia Border Region, there have appeared new farmer families which would perhaps make meticulous Confucius uneasy in his grave or be even frowned upon by urbanite elders. Farmers said that quarreling big families in which sons and their wives tried to get the better of one another were easy to deal with in times of peace but they had to find a way of sticking together in hard times to produce more and face the common enemy.

It is difficult to trace the family which set the vogue, but first reports were received from Hopei and Shansi of family meetings in which "heads of families" and "housekeepers" were elected. Chairmen of these meetings were also elected by male and female members of the family. The quota and tasks of each member of the family were fixed through discussion and their work checked in periodical family meetings. To avoid mere fault-finding, each member of the family was required to undergo self-examination first before criticizing others, heads or chairmen not exempted! Papas and mamas alike had to prove their salt in these meetings, said these families.

Bonus System Adopted

These family meetings also decided prizes for the deserving and a bonus system was usually adopted to spur members to beat their quota. Output above the quota was divided in the ratio of 80 percent to the member and 20 percent to the family fund. In older liberated areas, family blueprints have become three to five year family plans expressed in terms of annual increments of houses, crops, sheep, goats, pigs, chickens, mules and shares in the cooperatives.

Many women have been elected village chiefs, government officials' and labor champions. Bound-feet women in North China may not be so robust and strong as the women farmer of the south, but they have taken to the spinning wheel and the loom to win economic equality. "If women sit in the tree-shade and wait for men to bring them something to eat, how can they win equality?" they asked.

Spinning and weaving groups may be found in practically every village and many women are earning just as much as their men through spinning and weaving. One woman spinning and weaving champion near Yenan started with only a spinning wheel and help from a cooperative. After three years, she built three houses, paid for wedding expenses of her two sons, bought a loom, and had half a million dollars in the cooperative.

Teamwork Instituted

The old popular Chinese proverb "Each sweep the snow on his own doorstep, and do not care for the frost on your neighbor's roof" is becoming an anachronism to the farmer in liberated areas. For generations, farmers had been helpless before the locust pest because each had tried to drive the locusts from his own farm and cared not about others, and the result was locusts were only driven from one farm or village to another. Locusts were regarded as god, and farmers burned joss-sticks for a diminution of disaster to their families.

Dark clouds of locusts which settled on the land stretching into many counties of Shansi and Hopei east and west of the Peiping-Hankow Railway two years ago, however, found farmers in anti-Japanese war bases with a teamwork which also knew no bounds. Some farmers had at first resorted to burning joss-sticks, but when they saw their magistrates, government officials, Eighth Routers and even their popularly elected Border Region chairman personally taking part in an exterminate locusts campaign, they could no longer hold back.

"Exterminate Locust Headquarters" were formed in each county and "Locust Punitive Corps" reinforced hard-pressed farmers where locusts were in great strength and even penetrated to Japanese occupied areas to help helpless farmers there fight the locust pest. Locusts were killed by the tons, and the menace was at last conquered after a several months' campaign.

New Type Developed

A colorful new Chinese farmer who plows his field rifle in hand has risen in the liberated areas of China. War has swept away his parochial conceptions, passive outlook and the traditional contempt for the soldier. Instead of the lone farmer or family plowing or defending the land, mutual aid labor teams which pool the animal and manpower of many families, one whole village or several villages are now getting the most out of the soil, though this is based on private ownership far different from Soviet collective farming. The war has produced such new farmers as People's Volunteer leader Chang Chu-yuan in Shansi province, who is a crack shot, manufacturer of five kinds of homemade weapons as well as a skilled organizer of labor teams.

Nearly 3,000,000 People's Volunteers, whose joint defense lines stretch scores of miles across subdistrict and county boundaries, now guard the land they cultivate apart from Eighth Route and New Fourth regulars. These People's Volunteers join mutual aid labor teams during ordinary times but they form skirmishing groups to protect rush cultivation, sowing and harvesting when attacked.

Government leaders in these liberated areas agree that improved standards of livelihood through reduction of rent and interest and government agricultural loans and organizational aid are the mainspring of the new life which is changing the mental and social outlook of the liberated area farmer. Freedom from want is believed to have acceleratel farmers' interest in newspaper reading groups and various study groups and education for their children, which will do much to eliminate rural illiteracy.

Poverty On The Run

General Ho Lung, well-known commander of the Eighth Route Army's 120th Division, in a recent report on distribution of land ownership in the Shansi-Suiyuan border region, states that in the course of several years' reduction of rent and interest, 80 percent of the 5,000,000 population in this area have now acquired land and realized Dr. Sun Yat-sen's aim of "Land to the tiller." Reports from other liberated areas also tell of similar changes, with a corresponding breakdown of land monopoly.

After two and a half years of rent and interest reduction, reclamation of waste—land and production drives, 3120 poor and laboring families out of a total of 5320 families in one district near the Gulf of Chihli in liberated Shantung were reported to have become well-to-do farmers while 50 middle and poor farmers have risen to rich farmers. Beggars and paupers disappeared from the district in the course of this rise in standards of living.

"Democracy means the right to be well-fed and well-clad" is the fighting slogan of liberated area government leaders who also believe that this is also the cry of millions in Kuomintang-controlled China now facing the calamities of a civil war.

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UNRRA Grows To Half-Billion Dollar Organization During Past Year

By ANN COTTRELL

IN less than a year's time UNRRA-in-China has grown from a vest pocket office in Chungking to a half-billion dollar relief and rehabilitation network stretching over 20 provinces. Since last November UNRRA has imported more than 864,000 tons of supplies ranging from plasma to pile drivers. And from 29 of the United Nations, it has brought to China more than 1300 persons with a "know how" in dozens of different fields.

A hurry-up job with a March, 1947 deadline, UNRRA nevertheless is importing more to China than was ever brought here in any pre-war year. To revive China's crippled economy, UNRRA is priming the nation's economic arteries through direct food and medical relief. It hopes to help China onto her feet by long range rehabilitation of transportation, agriculture and industry.

Following the philosophy that it only helps countries that help themselves, UNRRA has turned over the operating functions of relief to the Chinese government. As the relief program is set up UNRRA and CNRRA are so closely related that one cannot exist without the other. As a result they are frequently viewed as one and the same so far as performance is concerned. To reduce the purpose of each organization to a minimum—UNRRA delivers the goods and CNRRA distributes them.

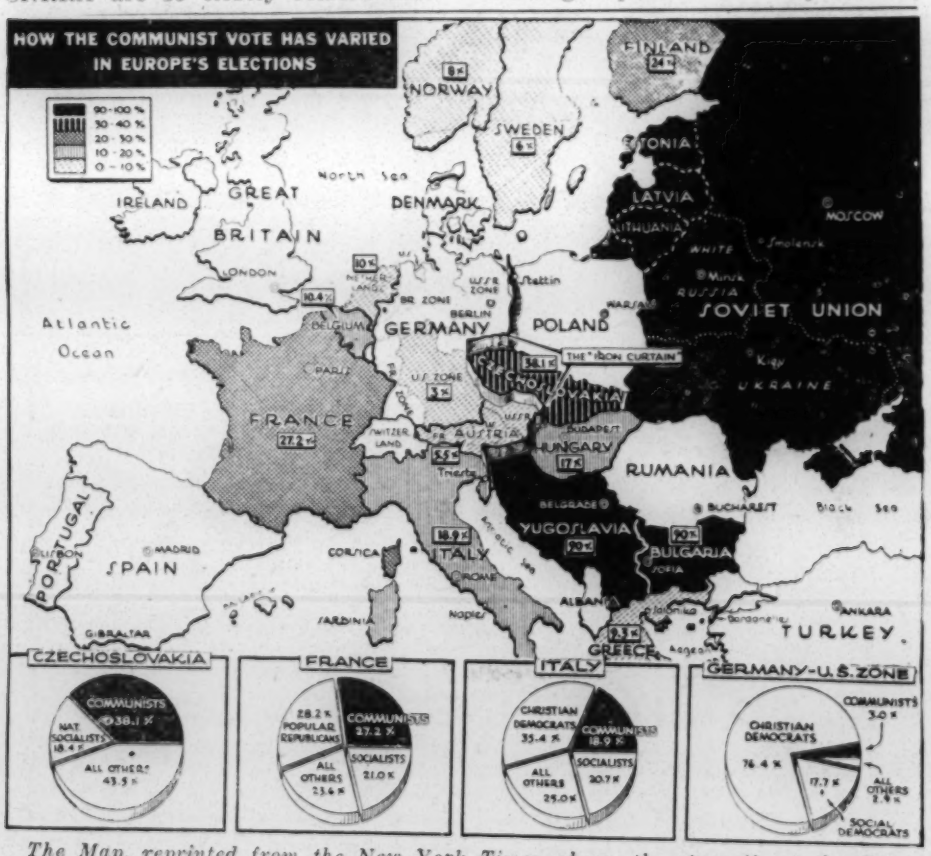
Politics, War And Finances

But behind these over-simplified definitions lie thousands of complicated factors affecting performance —internal Chinese politics and military operations; the sale of UNRRA supplies by CNRRA to finance its program; and the clearing of congested wharves and godowns.

UNRRA is a non-partisan organization, but only 4.8 percent of the goods turned over to CNRRA have reached Communist areas and most of this was flour for workers of the Yellow River project in the Communist areas.

Permitted under the basic agreement to sell a certain amount of all imports except basic foodstuffs, CNRRA has sold supplies worth CN$62,177,595,555 to finance its operation.

At the time of the temporary embargo placed on July 10 by UNRRA Director General F. H. LaGuardia on all further shipments to China due to congested port conditions, 125,000 tons of supplies were on Shanghai wharves.



The Map, reprinted from the New York Times, shows the strength of the Communist vote in countries where elections have been held. Percentages shown represent, in most cases, the vote cast for Communist candidates. In Bulgaria there was only the Communist-backed Fatherland Front and in Yugoslavia, there was a one-ticket leftist coalition. In Greece the Communists abstained from voting but their registered strength was 9.3 percent of the electorate. In two countries—Poland and Rumania—no elections have been held.

Personnel Loaned CNRRA

The nerve center of the UNRRA program lies behind the grey walls of the Embankment Building on the edge of Soochow Creek in Shanghai. Here the director of the China Office and his staff handle the transfer of supplies to CNRRA and direct the activities of the regional offices.

Of the 1356 foreign personnel, 583 have been loaned to CNRRA as "program personnel" to assist in administrative and technical work. The remainder work for UNRRA in advisory capacities to CNRRA or as administrators. In addition UNRRA has employed 1448 local persons for a variety of jobs—ranging from clerks to jeep drivers to ship crews.

UNRRA and CNRRA have divided up formerly occupied China, including Manchuria and Taiwan (Formosa), into 15 regions. In each region UNRRA and CNRRA have their separate offices, the latter as an operating unit and the former as an advisor on supply allocations to various towns throughout the region. Approximately half of the UNRRA employees assigned to the regions are attached to CNRRA.

Each Area's Needs Studied

The composition of UNRRA-CNRRA offices within the regions may differ according to the needs of the provinces. For example in Hunan and Kwangsi direct emergency food and medical relief for famine sufferers is of first importance. But in Honan greater emphasis is being placed on agricultural rehabilitation — the Yellow River project and the tractor ploughing program.

Cutting across provincial lines is UNRRA's rehabilitation of China's war-damaged transportation facilities. UNRRA to date has turned over to CNRRA Highway Transport more than 2500 vehicles ranging from jeeps to "ducks" to six by sixes. Approximately half of the vehicles are used by CHT for hauling supplies and the rest carry UNRRA-CNRRA personnel or have been sold. The nation's railroads are also being rehabilitated by UNRRA with the delivery of 3500 freight cars and 20 locomotives purchased from United States Army surpluses in Iran.

Water transportation networks that were almost completely destroyed during the war are being revived by the establishment of the CNRRA Water Transport organization. UNRRA has purchased more than 50 surplus U.S. Navy vessels for use in the rivers and along the coasts. At present almost all of the craft are delivering supplies up the Yangtze to the famine areas.

Supply And Services

UNRRA is divided, roughly, into two phases—supply and services.

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Within the bureau of supply are the food, agricultural rehabilitation, industrial rehabilitation and textile divisions.

A quick summary of the various supply divisions follows:

FOOD.—The main item of direct relief is food and despite world-wide shortages, UNRRA has brought to China more than 523,000 tons of food, including 307,000 tons of wheat, 63,311 tons of flour and 52,000 tons of rice.

AGRICULTURAL REHABILITATION.—The struggle to close the main break in the dyke of the Yellow River has been the most important single project of this program. More than 6000 tons of equipment, 30,000 tons of food used to pay the native workers and 4500 tons of miscellaneous supplies have been shipped to the project located at Chengchow, in Honan Province. The main break, blasted by retreating Chinese forces in 1938, was closed by UNRRA engineers. In mid-August, the rail supply line to Chengchow was captured by Communist forces; thus the delivery of supplies was terminated. When UNRRA engineers and equipment finally turn the river back to its pre-1938 course, 2,000,000 acres of fertile farm land will be reclaimed. In addition UNRRA engineers and supplies are being used to mend the Grand Canal dyke in Kiangsu Province and the Chientang dyke at Hangchow.

Plowing By Tractor

In addition to importing 5000 drums of seeds and various types of fertilizer, UNRRA is trying to increase the productivity of the land by tractor plowing projects. To date nearly 200 of the 2000 "foreign oxes" on order have arrived. Complete mechanization of the farms being out of the question, UNRRA is procuring 1500 head of water buffalo, 800 mules and 10,000 head of cattle. Pesticides to combat locusts and other destroyers of the crops have been received and put into effective use.

Not only will there be more food from the land as the result of these various rehabilitation measures, but seafood production will be revived when the US$34,000,000 fisheries program gets underway. More than 200 vessels are being purchased and crews are being recruited in the United States and Australia. To date 20 vessels have arrived.

INDUSTRIAL REHABILITATION.—In an effort to revive public utilities and industry UNRRA has allocated approximately one-fifth of its budget to the purchase of industrial supplies. Although steel strikes in the United States slowed up this program temporarily, 75,000 tons of industrial equipment are awaiting removal by CNRRA from Shanghai wharves.

CLOTHING AND TEXTILES.—A total of 84,145 tons of used clothing, piece goods and raw cotton and wool have arrived in China. Virtually all of the raw cotton and wool has been sold, but the 8370 tons of used clothing have been distributed free of charge. A percentage of the cloth from the raw cotton is brought by CNRRA at cost.

Field Services

In the field of services—health and medical welfare and displaced persons—is found the human side of relief. Making unfortunate people more comfortable in mind and body by tending their needs and using modern techniques is the purpose of this phase of the program.

HEALTH AND MEDICAL.—Direct relief through the curbing of epidemics is the emergency phase of this problem. But the outstanding contribution that is being made by the medical personnel is through health education of laymen and technical instruction of Chinese doctors and nurses. Eighty-three doctors, 17 dentists, 28 nurses and 11 sanitary engineers have been brought here to further this part of the program. UNRRA vaccine has been rushed to cholera epidemic areas in Canton and central China and plague and typhus have been headed off by liberal quantities of DDT. UNRRA doctors and nurses are lecturing at hospitals and medical colleges in Chungking, Nanking, Tientsin, Peiping and Shanghai.

WELFARE.—Famine victims, orphans, displaced persons and all those in distress are the concern of the 150 trained social workers UNRRA has brought to China. Almost all of these welfare officers, except those in UNRRA and regional headquarters, have been assigned to CNRRA for actual operating jobs. Others have been assigned to the Ministry of Social Affairs. They have helped CNRRA establish They have helped CNRRA establish refugee shelters, mass feeding centers, orphanages and relief work projects.

Refugees Aided

DISPLACED PERSONS. — The DP problem is divided into three parts—internally displaced Chinese, Overseas Chinese and Anti-Nazi European refugees. UNRRA is feeding and clothing and giving technical advice on the care and shelter of the 30,000,000 internally displaced persons within China. UNRRA is now engaged in transporting some 42,000 Chinese caught here by the war to their homes in Southeast Asia and repatriating to China those who wish to return from southern Pacific areas. The total cost of this repatriation is estimated at US$1,742,000.

UNRRA is also giving food, clothing and medical supplies to approximately 14,000 Europeans—primarily German and Austrian Jews—who fled here in 1938 to escape Nazi persecution. UNRRA is attempting to facilitate their passage home or to other countries.

As well as extending relief and rehabilitation within the country, UNRRA has looked further to the future when China will not have so much outside assistance from trained technicians in various fields. As a result it has granted scholarships to 36 qualified Chinese men and women for study in their chosen lines in the United States.

No Change In U.S. China Policy Seen Although Opinion Divided

By JAMES L. STEWART

Los Angeles, August 14, 1946.

NEWS of the death of several U.S. Marines near Peiping in an encounter with Chinese Communist troops evoked comparatively little comment here, despite the fact that two of the Americans killed lived in Southern California. In general, public opinion here is too confused by the situation in China to have violent views of any kind.

Behind the scenes, however, the battlelines of opinion are being sharply drawn. The majority view, reflected by liberal and middle-of-the-road newspapers, holds that a greater neutrality in Chinese domestic affairs should be observed by the United States and that at least the American Marines should be withdrawn. The minority view is that espoused by the professional anti-Russian groups. The Hearst newspapers, certain Senators and Congressmen, and some religious groups are howling that the Chinese Communists must be eradicated to save China from Soviet Russia; American troops must therefore remain in China, presumably to join in the fight.

It is my impression that the Hearst papers are of no importance, either in molding public opinion or in reflecting public opinion with any accuracy. They and individual papers like the Chicago Tribune and such embittered radio commentators as Fulton Lewis and Upton Close do, however, constitute a lobby of some power in affecting the voting of feeble-minded or confused members of the legislative branch of the government. The Great Russian Scare is the bugaboo of many Americans, not all of whom are using it to further their own ends.

The House of Representatives in particular, and the Senate to some

extent, is composed of men whose experience and interests are limited to the rather narrow confines of the districts they represent. Their way of being successful (if not good) Congressmen is to see that their constituents back home get their money's worth. These constituents for the most part have no ideas concerning America's foreign policy. The Congressmen are happy if they can vote on foreign measures in an inconspicuous enough manner to keep from arousing anyone. If the Hearst papers can deceive the legislator into thinking that his constituents are scared of Russia, then he is likely to join the isolationist group—isolationist in the sense that all foreign countries are distrusted.

On the opposing side, the Americans who genuinely want to cooperate with all countries, even including Russia, and who genuinely seek to aid, not hinder, the formation of representative government in China—these Americans are somewhat embarrassed because they see no useful purpose in discrediting Secretary of State Byrnes and the Administration who, they feel, are working toward the same goal. It is difficult these days to oppose what are considered the errors in the leadership of the Democratic party without falling into the trap of furthering the political fortunes of the opposition party.

In our foreign affairs as a whole, the fact that Senator Arthur Vandenburg (Rep., Michigan) has continuously traveled to European parleys with Mr. Byrnes and has regularly spoken on behalf of Mr. Byrnes' efforts has saved this nation from the basic mistakes made after the first World War. As regards our policies toward China, the same bipartisan approach has not yet been achieved. Neither has the spotlight been played on our diplomatic maneuvers there to the extent that our plans regarding Europe have been brought into the open.

Every time they get back from Europe, Messrs. Byrnes, Vandenburg and Connally speak openly and in detail of what they did or tried to do. The public listens and is acquiring the habit of listening. No such public habit has been formed for Chinese affairs. Until this comes about, I doubt if American policy will either be crystallized or changed. We will just drift along.

Export Goals Raised

THE American 1946-47 export goals of 250,000,000 bushels of wheat and flour were increased to a total of 400,000,000 bushels of all grains and grain products while partial limitations were removed from domestic use of grain, according to a Department of Agriculture announcement last week.

It was estimated that more than 22,000,000 tons of wheat and 4,000,000 tons of other grains would be needed to cover the world's deficit in staple foods in hunger areas between now and the 1947 harvest. Available stocks of these grains now total 19,000,000 tons of wheat and 6,500,000 tons of other grains.

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Year Of Peace Finds North China Mainly Concerned About Future

By S. E. SHIFRIN

TIENTSIN, Aug. 15.

ELEMENTS of the First Marine Division (Reinforced) this morning commemorate the first anniversary of V-J Day with a parade at the Min Yuan Athletic Field. Planes of the First Marine Aircraft Wing zoomed overhead. There were also a few official receptions to mark the occasion and in the evening three cabarets were thrown open to enlisted men and one to Marine officers. Both U.S. Marines and Central Government troops were supposed to receive presents from a specially-organized "Comforting Committee" which also arranged for the evening's entertainment of Marine personnel at the cabarets.

This was about as far as the celebrations went. The flags were out but the public did not participate, there were no processions and no cheering. People seemed to have forgotton the significance of the day. Business firms and banks this morning transacted the day's business as usual. One year after Japan's surrender the people of Tientsin seemed to be more concerned with the present and future than with the past.

Jap Repatriations Ended

It is practically impossible to list all the changes that have taken place in Tientsin since Japan's surrender. Actually the equivalent date for North China was October 6—day of the formal surrender of Japanese troops in this area to the Third Amphibious Corps, which had landed five days previously. The repatriation of Japanese, both soldiers and civilians, was not completed until early this month. Today, according to official reports, there are no more Japanese in North China—except some retained technicians.

A few Nazis also were repatriated late in June. Some of the Germans remaining have gone for a vacation to Peitaiho Beach. Unless a second repatriation ship arrives for the Germans this would seem to complete the repatriation of Axis nationals from North China—one year after V-J Day.

2 Railroads Cut

Tientsin today is more isolated than it ever was during the Japanese occupation. The only long-distance railway in North China which is still functioning between its terminal points is the Tientsin-Mukden line—guarded up to Chinwangtao by a string of U.S. Marine railway posts.

The Peiping-Suiyuan railway line has a 20-mile gap in the track on the other side of the Nankow Pass. This has been sufficient to paralyze communications with Kalgan, which is held by the Eighth Route Army. As far as is known here no sustained effort has been made to repair the gap with the consent of both sides—which may be very hard to obtain. On the Tientsin-Pukow railway, the overland route to Shanghai, tickets are sold only up to Tsanghsien, about 70 miles south of this city.

Tientsin can now communicate with the rest of China and the outside world only through either the sea route or by air through CNAC. Ordinary passengers report that it is quite difficult to secure tickets for travel by either of these two routes through the normal channels.

Wireless communications with other cities are in poor shape, messages sent to Shanghai sometimes taking several days to get there. The authorities concerned are promising to remedy the situation in the near future enabling telegrams to hit Shanghai eight hours after the filing.

Seized Property Rotting

The task of tabulating the taken-over enemy property which has passed through the hands of many committees is now in the hands of the Chinese Maritime Customs. It is expected that the books will be closed for another five or six months. Only then will there be an approximate estimate evaluating Japanese property. Reports reaching here from Peiping mentioned foodstuffs spoiling and cigarettes getting mildewed in sealed godowns. As for claims of Allied firms, it will be several years possibly before the figures are finally computed.

Nothing concrete has been heard about the progress of the Tangku New Harbor Project started by the Japanese seven or eight years ago. The only news appearing in the local papers speaks of the committee in charge being reorganized, and of the appointment of a new chairman.

Economically, after four years of isolation, China's second port has renewed its connections with the outside world. The first shipments both in and out netted the greatest profit, but there still are new items coming in. At present export from here is handicapped by the high cost of labor and isolation from Mongolia —with its wool and furs—and Chefoo and Shantung Province, providers of hairnets, embroideries and other export articles.

The import trade is now belatedly flooding Tientsin with luxury items —a state of affairs which has already occurred in Shanghai. Many bona fide importers of the old school are seriously considering in what lines work will still be possible and profitable several months from now, if the situation does not change.

HCL Index Now 4097

The internal economics of Tientsin show a municipal government with a chronic deficit—now common in most cities of China—and which is able to dole out small appropriations for some essential works. Tientsin's roads, mangled by heavy-service vehicles, still have to be repaired, and the same goes for the sidewalks. With the end of the occupation regime and lifting of all Japanese-

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imposed price restrictions, prices bounced up and some are still engaged in pole-vaulting. The Cost of Living Index for July shows a general index number—409,710, or 4097 times greater than in 1937, and registering a 200 percent rise as compared with the January figures. The Retail Price Index figure for the same period is 524,397, just 5244 times greater than the Price Index in 1937.

It is nearly impossible to get any definite and authoritative figures on the number of factories taken over from the Japanese which have suspended operations. Since many of the latter were built out of military necessity, they are economically unprofitable and will have to close down, if they have not done so already.

Small news items appearing in the local press from time to time announce the closing of various factories. Latest category to follow the trend are paper manufacturing works. Even those factories that are still open operate at part-capacity only, sometimes even suspending work for several weeks at a time.

FRB Currency Gone

F.R.B. banknotes are no longer in circulation, having been withdrawn as from June 30. C.N.C. has taken its place but here as elsewhere there is talk about a new currency —the "Sun" dollar, which it is rumored is being printed in Shanghai. Black market transactions in U.S. dollars are now an accepted fact. Even during the occupation such transactions could not be stopped. Now they are no longer clandestine and anybody can buy greenbacks, or a dime or nickel, if that's what is wanted.

Today Chinese and Allied flags are again waving from their flagpoles. The Rising Sun is no longer here. The war has been won and North China, the cradle of the conflict, knows it. However, today Tientsiners are much more concerned about securing the peace.

Scotch Drought

American and British as well as Shanghai Scotch whisky fanciers are due for a few more thirsty years—at least until 1952, probably longer.

At present, Britain's acute grain shortage precludes any prospects that the British government will permit Scotland's 150 distilleries to resume full-scale whisky production, which was cut off at the war's outbreak. The "Scotch" shortage will hit Britons harder than Americans or Shanghailanders. The British can't turn to alternatives such as Bourbon and Rye. Though occasionally an average Briton can find the odd nip of "Scotch", gin or rum at often it's a case of "No spirits, Sir." his favorite public house, but more

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Agrarian Reform Sorely Needed; Land Tax Abolition Demanded

By C. Y. W. MENG (孟 長 沐)

TODAY we mark the first anniversary of our victory over Japan. In celebrating this historic occasion, the whole Chinese nation should express its great indebtedness to the Chinese farmer. By the Chinese farmer, we mean the petty farmers, the farm tenants, the farm laborers and the farm unemployed, but, decidedly, not the rich farmers, the influential farmers and the so-called "landlords." This because it was these petty farmers who actually took active part in our "Holy War of Resistance against Japanese Armed Aggression" for eight long years; who bore most of our war burdens, and who built miles of highways and railways, not with bulldozers and machinery, but with the most primitive implements and tools to literally chisel their way through mountain ranges in the most difficult part of the country.

Out of eight or nine million people who were killed during the war against Japan, 99.99 percent were recruited from rural areas. In the province of Szechuen alone, no less than 3,000,000 poor farm hands were enlisted in the army from the outbreak of the war in 1937 up to June 1945.

Before the coming of Lend-Lease weapons to China in the latter part of the war, the struggle between China and Japan, as we all know, was virtually a "Battle between Blood and Iron," and it was the poor farmers' blood that was shed on all battlefields.

Not only that but from 50 to 80 percent of what the petty farmers and farm tenants cultivated and reaped in the year had to go to the payment of "Land Tax in Kind" and other collections and borrowings for army food.

These poor farmers were once the worst sufferers of the Japanese armed aggression and the various banknotes issued by the Japanese armies and their bogus administrations in China, and they are now the worst sufferers of the present undeclared civil war. All of them must continue to pay the much opposed "Land Tax in Kind" as well as other taxes.

Therefore, among the many problems in China today, the most pressing one undoubtedly is the long-standing agrarian problem which must be solved at the earliest possible date.

Scramble For Land

The vast agricultural population is divided into landlords, rich farmers, farm tenants, farm laborers and unemployed. In number, these petty farmers and others constitute far the greater majority. But in the ownership of land, landlords and rich farmers own more than 60 percent of the total cultivated land. In every rural district, there is always a heavy concentration of land ownership in a handful landlords and rich farmers. There is a glaringly inequitable distribution of land among the farmers in rural China.

The situation in rural districts worsened during the war years with the scramble for fertile farm land among the rich people and the "unknown landlords." Fertile farms, particularly those near the cities and newly constructed irrigation channels, were nearly all "sold out," and are now owned by a handful of landlords. In one *hsien* in Szechuen, for example, all the farms were bought and owned by one landlord alone! In another part of Szechuen, 40 percent are owned by some unknown landlords. Similarly, nearly 20 per cent of farms not far from Lanchow, capital of Kansu Province, in China's Northwest, alone changed hands, and now are owned by some unknown landlords.

"Vested Interests Bloc"

Throughout the war years, while the nation was fighting a life-and-death struggle, what occupied the minds of the rich was the safety of their capital and investments, the transfer of their capital to the United States whenever it was possible, the depositing of their money and savings in American banks, the purchase of land and fertile farms *plus* various speculative and hoarding activities. To the landlords, China was not at war with Japan at all. They still lived the same luxurious life, they did not go to the battlefield nor bear any war burdens.

If we traced these "unknown landlords," we would find they are local gentry, big merchants, rich persons in coastal cities, greedy officials, profiteers and speculators, all of them now very well off, and forming what is called the powerful "Vested Interests Bloc" in China. It is these rich people and "Unknown Landlords" who frown at all reforms, including, of course, agrarian reform, and who now are blocking progress in China. Beneath the present chaos in China is the bitter and hidden struggle between the middle and lower strata of the Chinese society and the "Vested Interests Bloc."

Miscellaneous Levies Many

In each rural district, the miscellaneous levies are just "as many as hair." During the war years, such levies usually totalled more than 20. A list of the principal levies for December 1945 in one small village in Hsiangyu, in Chekiang Province, for example, includes the following:—

1. Subscription to the Allied Victory Bonds.
2. Fund for special enterprises undertaken by the *hsien* government.
3. Contribution to army food and public food in arrears.
4. Contribution for public food and expenses for the maintenance of the *hsiang* (in case of rural

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area) or *chen* (in case of urban area) administration.
5. Contribution for army food for the current year.
6. Fund for the purchase of arms for *hsiang* or *chen* defense.
7. Fund for the maintenance of the Central Kuo Min (or Citizens') school in *hsiang* or *chen*.
8. Expenses for the maintenance and training of local militia.

For these principal levies and allocating taxes alone, each farm household in the village had to pay a sum of $92 *plus* 107 catties of white rice for December. To rich farmers and landlords, this sum may be small, but to petty farmers and farm tenants, already overburdened with taxes, this sum is too burdensome.

The present conditions in rural China may well be characterized by poverty and bankruptcy. Generally speaking, in the pre-war years, on average, three or four farm households would have one plowing cow, but now there is one only among 30 to 40 farm households. Many are too poor to buy farm implements, not to speak of fertilizers and other needed things.

If the purchasing power of the Chinese farmer in 1937 is taken as 100, his purchasing power dropped to 92 in 1938, 55 in 1939, 65 in 1940, 15 in 1941, 95 in 1942, and 77 in 1943.

Gracious Act Proves Empty

Then came the gracious act of the National Government when it decreed on September 3, 1945, the suspension of the collection of land tax for one year: for occupied areas from October 1, 1945 to September 30, 1946, and for hinterland provinces from October 1, 1946 to September 30, 1947.

According to the Ministries of Finance and Food, petty farmers and farm tenants in no less than 25 provinces and five special municipalities would benefit by this act, while farmers in other provinces would have the same benefit one year later.

However, before this promise could be fulfilled, Mr. Hsu Kan, Minister of Food, announced on May 19, 1946, that "in accordance with a decision of the Second Plenary Session of the Central Executive Committee of the Kuomintang, the collection of Land Tax in Kind will be resumed beginning from July 1, 1946." Then came the so-called "Emergency Measures for the Collection of Land Tax and Food," voted at the National Finance and Food Conference in June. The resolution provides that the collection of land tax in kind in 25 provinces and five special municipalities will be resumed this year, adding that "in order to supply the army with food and to meet other local demands, other collection and 'borrowing' of foodstuffs for the army will also take place according to local circumstances." As to the provinces where the tax was to be suspended from October 1, 1946 to September 30, 1947, the collection of land tax in kind, other collections and "borrowing" shall be half of the fixed quota for the current year.

The same resolution provides that the land tax in kind shall be collected as usual in accordance with Article 6 of the wartime Regulations Governing the Collection of Land Tax in Kind. That is: 4 *shih tou* (one *shih tou* is equivalent to 2.6418 gallons) of rice or 2.8 *shih tou* of wheat for every taxable dollar. It also provides that "for the purpose of improving the treatment of the government employes and school teachers, of stabilizing their livelihood, of improving the efficiency of their work, and of abolishing other extra levies, in addition to land tax in kind, the collection for public food —amounting to 30 per cent of land tax in kind—shall also be collected for the current year in accordance with Article 8 of the Regulations Governing the Collection of Land Tax in Kind for distribution among government employees and school teachers in the province, municipality and *hsien*."

In Chekiang Province, for example, the quota for the year October 1946 to September 1947 is 3,600,000 *shih shih* (10 *shih tou* for one *shih shih*) for land tax in kind, 1,800,000 *shih shih* for collection and "borrowing" for army food, and another 1,800,000 *shih shih* for public food for government employees and school teachers, thus making a total of 7,200,000 *shih shih*. This quota, when distributed according to crop *mow*, means 1.7 *shih tou* from each of 37,900,000 *shih mow* (one *shih mow* is equivalent to 0.1647 acre), or 3 *shih tou* from each of 27,750,000 people in the province. In a bumper year, this collection is possible, but in a lean or famine year, it is impossible. If 75 percent of the people in the province are farmers, it means 75 percent of the collection

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falls on the farmers.

Fine Promise "Eaten"

This decision at once aroused bitter opposition among many people in the country. Some accused the National Government of having "eaten" its fine promise, while others condemned the Kuomintang by pointing out that "in reaching this decision, the Kuomintang is digging its own grave." The principal arguments against the resumption of the land and other taxes from the farmers may be summarized as follows:—

1. The collection of land tax in kind was originally intended as a wartime financial measure. Due to the corruption of tax officials, maladministration in the collection, and many annoyances and molestations to the payers, land tax in kind, though it has a long history in China, became the most unpopular tax during the latter part of the war. Many observers from Chungking remember well the story that the Chungking military jails were almost ful with "Directors of the Land Tax Bureau" who had embezzled and squeezed funds amounting to millions and millions of dollars. Hence no taxpayer would like to see this tax reinstituted.

2. Although the burden of land tax also falls on farm owners and rich farmers, by far the larger portion falls on the petty farmers and farm tenants. The landlords can easily shift the tax burden to the poor by raising rents and crop collections. Furthermore, the men who carried piculs of rice and wheat to the collection stations under land tax bureau, usually situated many miles from their homes, are all petty farmers and farm tenants who once rendered many "voluntary services" to their landlords.

3. The national budget for the current year is $2,524,900,000,000. But land tax amounts to only $47,400,000,000, or only two percent of the national budget. Therefore, it is contended that it is not worth collecting.

4. The strongest argument of all is that the Chinese people were willing to permit the collection of land tax in kind and other collections for army food when China was fighting a life-and-death struggle against the enemy, but are most unwilling to permit the collection for the undeclared civil war.

At present, China has from 30 to 50 million starving people in rural districts. The collection of foodstuffs under "Army Food First" is, no doubt, called to question. Many therefore demand—many insist—land tax in kind and other subsidiary food collections and "borrowing" *must go*.

A 10-Point Program

Now, leaving aside all theoretical discussions and radical steps which may not be practical under present circumstances in China, and bending ourselves only to "Revolution through Evolution" measures, the writer begs to advance a program for agrarian reform in China.

1. The National Government should form an Agrarian Commission under the Executive Yuan to study this problem, and should work out and promulgate a Rural Recovery Act which should first of all bring

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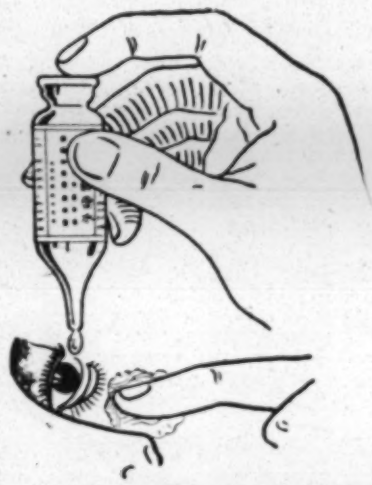

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about a reform in the farm tenancy giving due protection to farm tenants and enabling them to climb up the ladder to eventually become part-owners and owners. The relationship between landlords and tenants should no longer be governed by the provisions in the new Act. The Agrarian Commission should establish its branches in the principal rural districts to direct the work and see to it that the provisions are carried out.

2. We are not wiping out private ownership of land by confiscating land owned by landlords, nor embarking upon the nationalization of all land. On the contrary, we will permit the private ownership of land to continue. We merely are devising means to prevent the further concentration of land in the hands of the rich and the "unknown landlords," to diversify the present concentration, and to redistribute the land among the tillers at the earliest possible date. The first step in this direction is to revise the ratio for the distribution of the products *after* deduction of the cost of production.

3. A general 25 percent reduction of farm rentals should be strictly enforced. All rural loans at usurious rates of interest should be outlawed.

Land To The Tiller

4. The new Act should limit the maximum acreage under one private ownership. Rentals from land in excess of this limit should be subject to heavy and progressive taxation. Provisions should also be made that farm tenants who have leased the land have been cultivating the land for a certain number of years are entitled to demand the purchase of the land from their landlords at set price stated in the Act. Land owned by any fictitious person or unidentified owner should be confiscated. Our purpose is to encourage the landlords by all possible means to dispose of the land which they own but do not cultivate themselves, and to help farm tenants by various means to own the land they till. Our policy is: the tillers of the land must not only have land to till but must own the land.

5. Inheritance tax, land value tax and land increment tax should all be enforced throughout the country, while other taxes and miscellaneous levies which fall on the petty farmers and farm tenants directly or indirectly should be totally abolished. One of the cardinal principles in our financial policy is to shift the tax burden to the rich, the rich farmers, landlords and big merchants.

6. The extension of farm loans should be far more generalized and must reach the petty farmers and farm tenants to enable them to buy farms and farm implements.

Survey Proposed

7. A nationwide survey of uncultivated land should be conducted, and this land should be the first on the nationalization list. Next on the list is cultivable land remaining uncultivated. This land should at once be bought by the State at a low price. All these lands should be quickly distributed among the returing soldiers and the dependents of those fallen

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in China's "Holy War of Resistance against Japan."

8. Far more experimental and demonstration collective farms should be cultivated to encourage and teach the farmers the use of improved seeds and modern implements.

9. China should have one Homestead Act under which any man or woman who would settle on public land in the frontier district and cultivate it for five years could have it *free*. We all hope President Chiang Kai-shek will sign this memorable act, as did President Abraham Lincoln in 1862 when he opened up the vast west in the United States.

10. Rural education should be developed. Rural China must launch two wars: War against Poverty and War against Ignorance. But in fighting these wars, China needs most urgently a large staff of workers, honest and hard working youths, but not greedy and corrupt officials like many *hsiang chang* (head of a *hsiang*) or pao chang (head of a *pao*) whose monthly salary may be only $30 or $20, and yet, is far better off than a director in a government office!

TVA Principles Favored

We should suggest that the many sound principles embodied in TVA (Tennessee Valley Authority) should be invoked and embodied in our Rural Recovery Act.

These are the first few preliminary steps for the solution of China's pressing agrarian problem. But they are also the first important steps—indispensable ones—in the industrialization of China.

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NEWS OF THE WEEK

Two Blocs Clash In Europe, Jockey For Paris Conference Positions

LAST week it seemed that the Chinese internal situation, repeatedly termed a danger to world peace, ceased to occupy this unenviable position, being forced into second place by the explosive events centering around Trieste, the Danubian valley, Yugoslavia, Greece and the Dardanelles.

The ultimatum sent by the United States to Yugoslavia giving its a 48-hour notice to release American fliers who were forced down over Yugoslav territory, was, to say the least, unexpected by most observers. American newspapers on the whole attacked Yugoslavia's behavior, which to them looked like insolence to a wartime ally and postwar friend. Yugoslav circles on the other hand, expressed their resentment at what they termed unwarranted infringement on the sovereign rights of a nation, which it had fought to preserve. Marshal Josip Broz Tito cited 172 alleged instances when American planes flew singly or in formation over Yugoslav territory, without having previously secured permission. He said repeated representations were made to the United States over these incidents, but they were all disregarded.

The ultimatum came to nothing merely because of a slight coincidence: the American fliers were released by Yugoslavia. The Yugoslav government promptly ordered full military honors and guard of honor for the dispatch home of the remains of the those who perished in the forced landing. It looked like the satisfaction demanded was received.

* * *

Extremely well timed, a British demarche with the Polish Government concerning the forthcoming elections in that country tended to serve a similar purpose well expressed by a United Press correspondent. who declared that the present "dispute" between the United States and Yugoslavia is connected with the Trieste problem.

More penetrating observers were inclined to link the entire chain of events, commencing with the United States ultimatum, the British note to Poland, and the Ukranian action in the UN Security Council aimed at Greece, as constituting the second round of the struggle which began over the voting procedure at the opening of the Paris Peace Conference. Each of the actions by the great powers appeared designed to discredit the position of the state attacked, at the Paris Conference which is due to reconvene inside a fortnight.

In this connection, the struggle against the inclusion of Albania in the United Nations deliberations at Paris, was well explained by a candid observer who declared that Russia is trying to get one extra voice at the meeting. The United States and Britain, with the aid of Greek Premier Tsaldaris, who stressed that his country and Albania were still in a state of war, tended to oppose this increment in votes.

* * *

In Greece itself, the plebiscite on the return of King George will be held on September 1 and all Greek armed forces have been confined to their barracks until September 9.

A small-scale war has been going on in the province of Macedonia, with the government said to be in control of the area following a "bandit suppression" expedition into the hills.

About 40 scarcely-noticed political murders occurred throughout the country during the last week, with only statistics being compiled of the dead gendarmes and bandits.

The presence of Allied observers was thought to be sufficient guarantee of the authenticity of the plebiscite, in spite of party charges and counter-charges.

* * *

A number of rumors were let loose

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last week which intimated that a number of trouble centers would take their troubles to the United Nations Security Council. Thus, it first went about that the Chinese Communists were planning to appeal to the UN to mediate in their dispute with the Kuomintang; India, represented by Gandhi, it was said, would take her case before the Paris conference; and lastly the Palestine problem will "almost certainly" be taken to the next general Assembly of UN None of these rumors has been officially confirmed to date.

* * *

In the meantime, the various delegations, before adjourning for a fortnight, registered some 250 amendments to the five draft treaties. The total number of articles and annexes in the five treaties is 256—one amendment per article or annex.

* * *

In the Dardanelles question, which promises to become another bone of contention, before it can be relegated into the archives, both the United States and Britain agreed to the necessity for a revision of the old Montreux Convention regime governing the straits today.

Both Britain and America rejected Russia's suggestion that the straits be defended by Russia and Turkey jointly. Turkey should remain the defending power, unless proved incapable of performing this task satisfactorily, whereupon the defensive duties were to be placed with the Security Council.

The texts and tenor of the notes exchanged between Turkey, the USSR, American and Britain thus far have been in the best diplomatic form, with only Turkey using slightly stronger terminology than the development of the case seemed to warrant.

The Russians confined their activities to publishing a "case history" of the Dardanelles, implying that

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they have been put both to good and bad use vis-a-vis Russia, since the Russo-Turkish treaty of 1828.

* * *

Rioting in India, which quieted down to some extent following four bloody days last week, broke out anew when the new Indian Interim Government list was published in New Delhi.

The Viceroy Lord Wavell, broadcast an appeal to the Muslim League to change their minds and join the colition government. However, his appeal was not instrumental in quelling the riots, with people reported being killed in every major Indian city. Muslim League Leader Ali Jinnah said: "I must have time to study his speech."

Pandit Nehru, President of the Congress Party, headed the Interim Government, with eight of the 14 members being Congressmen. Five of the 14 are Hindus, five Muslims, and one representative each of the Scheduled Castes (the untouchables), the Sikhs, the Parsees and India Christians.

There appeared to be no possible solution at the moment between India's two opposing parties—the one stressing Indian solidarity by the inclusion of all religious shades and groups, the other playing into the hands of those who wish disunion by stressing the purely religious outcome of the issue.

* * *

The goodwill visit of eight United States Fleet units, including the aircraft carrier Franklin D. Roosevelt, to Portuguese ports, was interpreted as a more definite turn in the negotiations between the United States and Portugal for bases in the Azores.

The Salazar government was reported to be reluctant to abandon Portuguese sovereignty over any part of its empire.

The wartime arrangement whereby the United States had an airfield and extensive installations at Santa Maria came to an end recently. The airfield, constructed at the cost of US$13,000,000, was turned over to the Portuguese. Now the United States is seeking a more fundamental agreement then the interim one which grants it "transit rights" and small installations on Terceria Island until the end of 1947.

It was reported that the mission had given the Portuguese some security assurances, if the bases deal is successful.

* * *

In China, war was reported to have broken out on a large scale in the Northeast, but since reports of large-scale operations have been often disproved by later events it was impossible to determine how severe the fighting in Manchuria was.

As usual rumors of severe fighting were spread by Chinese press reports pertaining to "concentrations" and "preparations", hardly ever substantiated by later reports.

While it was useless to deny the existence of the civil war and the gravity of the situation, reports of correspondents who had not yet

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visited any part of the civil war fronts, attempting to describe more picturesquely the "pouring in of reinforcements" and troops "swarming into a captured town," became progressively worse reading as the hostilities dragged on.

A bitter battle, for Tatung, however, entered into its fourth week of resisting the encircling Communist troops, and sporadic clashes occurred in Jehol and in North Kiangsu.

Communists May Get Traveling Papers

FOLLOWING a protest lodged by UNRRA with the Ministry of Foreign Affairs for refusal to issue traveling passports for two CNRRA-approved technicians from Communist areas who were invited to the United States by the State Department, the Shanghai Office of the Ministry declared that there was no ban against issuing passports to students from Communist areas.

The spokesman of the Ministry asserted that there was no kind of ban for any student from any part of the country and likewise denied having received applications for passports falling under this category.

Last week UNRRA accused the Ministry of political discrimination when the two technicians were refused their papers in spite of State Department and American Consulate-General intercession.

Atomic Ship Back Home

WHEN the U.S.S. Mount McKinley arrived in the United States from Operation Crossroads, the vessel carried a number of radioactive spots, more than a month after the atom bomb was dropped at Bikini. The fission elements still respond to a Geiger counter, and the propeller guard of the ship bears the sign: "Keep Clear! Radioactivity!"

While on the way home, several articles on board which retained radioactive elements had to be thrown overboard.

The ship picked up its radioactive spots while anchored in the lagoon, but they are not considered harmful to those aboard.

Property Sales Probed

CHARGES brought against the alleged irregularities in the sale of American surplus property in Shanghai by the Foreign Liquidation Commission here, have caused Thomas D. McCabe, assistant to the Secretary of State and Foreign Liquidation Commissioner, to order an investigation.

The Commissioner said that shortly after allegations of irregularities came to the attention of his Washington office in July, field investigators were sent to Shanghai.

"It has always been FLC policy to have any charges of irregularities investigated promptly," McCabe declared.

An investigation by the Inspector General's section of the U.S. Army's China Service Command has also been ordered.

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Communists Protest Surplus Sales

The Chinese Communists reported last week that they had received information of an alleged deal now being negotiated between the United States Assistant Secretary for War H.S. Peterson and Premier T. V. Soong for the sale of US$500,000,000 worth of surplus property to Gen. Chiang to augment China's civil war."

The Communists charged that this property would be handed over on the condition that China's aviation right be mortgaged as security.

Chou En-lai was preparing a protest to Gen. George C. Marshall which is said to contain the following points:

1) The sale of such properties will be an infringement of national sovereignty and 2) It will aggravate internal strife.

Communist spokesman Wang Ping-nan declared that "we would not recognize this kind of agreement. If it is fulfilled, the Communist Party will reserve freedom of action."

It was alleged that large quantities of American surplus arms, munitions, trucks, jeeps, communications and signal equipment are now lying in Okinawa, Iwo Jima and Japan proper.

Spokesman Wang further stressed that the United States Government decision "to pipeline another US$500,000,000 worth of supplies to the Nanking Government would encourage the war aspirations of the Chinese fascist clique."

He concluded by asserting that "civil war will be much more aggravated, for which the United States cannot evade its share of responsibility and must be held jointly accountable for all the serious consequences engendered thereby."

U.S. Exports Aided

IN order to facilitate the pricing of exports and thus expedite American shipments abroad, the U.S. Office of Price Regulation has revised export price regulations. This revision constitutes no change in the American export policy, but is designed to give consumers in friendly nations the same benefits of U.S. price control that domestic consumers receive and also to prevent higher prices in foreign countries from draining goods from the price controlled American market.

Goods under price control in the United States can be sold by exporters only at domestic ceiling prices plus a mark-up to cover a moderate profit, handling costs and business risks.

Price controls which were removed following the expiration of the OPA on June 30, were reimposed 25 days later. Price ceilings were reimposed on livestock, meat, cottonseed and soybeans recently.

Canton schools will fail to accommodate some 50,000 applicants this term, the Shanghai Evening Post and Mercury reported early this week. The Canton municipality is spending only 5.1 percent of its revenue on education.

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AF Of L Leads In Race To Unionize Atom Plants

THE American Federation of Labor got a step ahead of other labor unions in their race to organize America's atomic power workers as AF of L's newly organized Atomic Trades and Labor Council formally petitioned the National Labor Relations Board for collective bargaining elections in the three principal plants at Oak Ridge, Tennessee, cradle of the atomic bomb.

Beating the Atomic Workers Organizing Committee of the Congress of Industrial Organizations and the Independent International Association of Machinists to NLRB, AF of L called for polls of about 20,000 workers of the three plants. Construction workers engaged on the giant project already are covered by AF of L building contracts.

The race to unionize the atomic power workers started immediately after removal of the wartime bans against union activities in the highly secret atomic power plants at Oak Ridge early in June. In their polling campaigns AF of L organizers announced they will spend US$2.00 for ever dollar available to CIO, though they admitted that "we might be wasting our time because the Army may change its mind." This attitude of the AF of L organizers was based on the War Department's ill-concealed reluctance to see unionization of atomic workers. The Army's hesitance primarily stemmed from fears that organizing campaigns might mean jurisdictional disputes and work stoppages. NLRB shared this fear and reportedly favored unionization of atomic energy plants on an industrial, rather than craft basis.

U.S. Exports Increase

AMERICAN domestic exports for June showed an increase in value mainly due to larger totals of wheat, corn and industrial machinery exports, the Census Bureau announced. Compared with US$815,000,000 for May, June exports rose to US$858,000,000.

During the first six months of 1946, American domestic exports averaged US$772,000,000 a month, while the prewar average was US$236,000,000.

American imports for June dropped US$18,000,000 below the US$389,000,000 level reached in May. Lower imports of undressed furs, manufactured wool, raw silk, sugar and newsprint, were partly offset by increased shipments of coffee, crude rubber, burlap and wood pulp. Coffee imports showed the greatest rise—from US$36,000,000 to US$46,000,000 in June.

The first post-war observance of Journalists' Day, which falls on September 1, will be marked here by a commemorative meeting to be held on the morning of the day and a garden party in the evening. A memorial meeting in honor of those journalists who lost their lives in the discharge of their duties will be held on September 2.

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What U.S. Papers Say . . .

INDIA, price control and the Chinese situation continued to share first place in American newspaper editorials during the week. The oil problem and events in Japan likewise were commented upon by U.S. papers.

* * *

INDIA

The Calcutta riots occupy a prominent position in the editorials of almost all American papers. The *New York Herald Tribune*, writing on the subject, said: "Moslems and Hindus in Calcutta are paying with their lives for the stupidity of their political leaders. Politicians fanned into flames the dormant religious antagonisms in Calcutta, a city in which men of many creeds and many races usually live in reasonable harmony, and thus brought death to hundreds of Indians—perhaps to thousands. It was a frightful price to pay for the irresponsibility with which some Indian leaders have been debating the issues aroused by the British offer of independence." The paper expressed the hope that "the present riots, horrible as they are, may also help to make statesmen out of politicians."

The *New York Times* saw the riots as a "naked cult warfare for a defined political objective and a sorry and forbidding prelude to the installation of independence for India." The *Times* blamed Mohammed Ali Jinnah, president of the Moslem League, for the riots, which started on the day decreed by him as "Direct Action." Day.

The *St. Louis Post-Dispatch* also blamed Jinnah's "incidendiary statement" and said: "If the country is to achieve and preserve independence, a basis must be found for collaboration and mutual trust between the two dominant religions."

The *Kalamazoo* (Michigan) *Gazette* said that the "grim developments provide a grim reminder of the fact that is much easier to advocate independence for India than to grant the independence thus advocated." The *Gazette* said though the British in the past have been accused of encouraging Hindu-Moslem rivalry, "the facts unfortunately seem to show that the factional bitterness which has blocked repeated efforts to solve India's problems do no need any encouraging from outside."

The *Cleveland Plain Dealer* chided the Moslem League leaders for the Calcutta riots. "Calcutta, torn by bloody strife between Moslems and Hindus, may become the black hole of India's hope for freedom. The prospect for a peaceful settlement has now been lost in a frenzy of political and religious fanaticism.'

PRICE CONTROL

The decision of the Price Decontrol Board to restore ceilings on meat was criticized by both leading New York papers. The *Herald Tribune* wrote: "What is difficult to reconcile is the action of the board in ordering the reimposition of controls on meat with its action in leaving dairy products uncontrolled."

The *Times* contended that meat is not in short supply compared to prewar consumption standards, even though demand has increased. The paper said, "if the Board's rulings are not to be considered arbitrary, capricious or discriminatory it should announce definite and uniform standards for determining whether any commodity is or is not in short supply."

The *Washington Post* declared that the restoration of price ceilings on meat "is warranted as a means of protecting the great body of consumers from the excessive price increases that have occurred. For, as the board points out, outlays for meat contitute nearly one-fifth of the food budget of a moderate income family." The paper declared that even if the meat industry is hostile, "the OPA has a powerful ally in the great body of unorganized consumers who have made it unmistakably clear that they will not—in many cases cannot—pay the current extraordinarily high prices for meat."

* * *

PARIS

American editorials in general contended that the wranglings in Paris may in the end prove beneficial to peace. The *Birmingham* (Alabama) *News* wrote: "There has been little more than wrangling at the conference. Name-calling and accusation, attack and rebuttal have been the order of the day for all too many days. And the consequence is that many Americans have gotten the impression that the international situation has materially worsened, when as a matter of fact, no such change has taken place. We are still at odds with the Russians, and they are still at odds with us, but in no sense as correspondents and commentators would have us think.

'Rebukes Russia' does not mean we have lost patience, and 'Molotov Attacks U.S.' does not mean that the Kremlin is ready for war." War can be avoided, the paper declared. "And it will be avoided, because we are going to prove that a capitalist society like ours is capable of removing the economic causes of war. If we do that, if we preserve ourselves from boom and bust, if we establish the proposition that we are not afraid of Communism and Communism need not be afraid of us, the world will have gone far toward the elimination of war from this planet."

America, Self-Sufficient In Rice, Exports Bulk Of Crop

RICE production in the United States developed from an experimental seeding made at Charleston, South Carolina, in 1685. The crop then moved into North Carolina, Georgia and later to Alabama, Mississippi and Florida and was confined to these States until about 1888. Today, very little rice is grown in the original area, the commercial crop being raised far to the west.

By about 1887 it was established that rice could be grown profitably by irrigation of the prairies in Louisiana. Thus, this State became, and still is, the leading rice-producing area in the United States.

Moves To Texas

Louisiana's example was followed by Texas, where by 1900 more than 8500 acres (one acre equals six mow) were sown in Jefferson County alone. In 1902 rice was grown in Arkansas and in 1912 the first commercial crop was raised on 1400 acres in California's fabulously fertile Sacramento Valley.

Thus rice gradually spread to a number of other States, but the four principal rice producers are still California, Texas, Louisiana and Arkansas.

Output Increased

Production of rice has been greatly increased since 1941 to provide for exports to countries cut off from Asia by the war. In the 1944-45 season, the United States contributed about one percent of total world output—3,161,000,000 Pounds (one and one-third pounds equal one catty). By 1945 the total rice acreage exceeded the 10 years area from 1934 to 1944, totaling 1,511,000 acres as against 1,120,000 acres.

The 1945 per acre output was registered at 2250 Pounds. Combines have been installed in almost all areas and dryers greatly reduce the loss of harvested rice.

Rice Exports

The southern States send the bulk of their harvest to Puerto Rico, while California supplies the Hawaiian Islands. In California a great increase in per acre output is envisaged and is expected to be around 3015 Pounds in the current season, almost 315 Pounds above last season's yields.

In addition to Cuba, the United Kingdom, Canada, the U.S.S.R., and other European nations, all South American natjons, with the exception of two, import rice from the United States.

United States rice exports, consisting principally of milled rice, have shown a sharp rise over the past nine years from 68,000,000 Pounds in 1936-37 to 491,000,000 Pounds in 1944-45.

War Year Exports

In recent years American rice exports went largely to Cuba which during a 10-year period purchased almost 67 percent of all exports. Cuba has granted special rates of duty and obtains almost all her rice from the United States.

The United Kingdom took slightly more than seven percent, while Canada and the U.S.S.R. took 6.9 and 3.2 percent respectively. The United Kingdom imported almost 112,000,000 Pounds in 1942-43 and 60,000,000 Pounds the following season.

The first lend-lease rice shipment was made to Russia in 1942, total lend-lease shipments of rice totalling 67,888,000 Pounds in the 1944-45 season. United States military and war services consumed more than 150,000,000 Pounds in the same year, 106,000,000 Pounds was expended for seed, 19,000,000 Pounds for feed, breweries consumed 215,500,000 Pounds and civilian consumption at home was estimated at more than 500,000,000 Pounds.

Rice Imports

While some rice was imported from the East, which produces more than 95 percent of the world's total rice harvest, these imports dwindled and have become insignificant in recent years, the United States having become self-sufficient. Following the increase in American rice production, imports fell to 76,000 Pounds in 1945.

While rice is the leading energy food for the major part of the Far East's population, the continental United States registers only about six pounds per capita consumption annually. Pre-war per capital consumption in China, India and the Philippines was estimated at slightly over 200 Pounds and between 300 and 400 Pounds in Japan, Thailand and Burma.

Nutrition Value

Rice is rich in starch and is placed high among the foods that supply the human body with energy at low cost. Milled rice, which in the United States has been converted from paddy or rough rice at the rate of 65 percent, is completely edible and contains only a small amount of moisture.

Brown rice has a higher food value and more flavor because of the bran and germ content. Rice polishings are rich in iron and other minerals, containing vitamin B and some vitamin G, as well as the fat and protein from the bran and germ portions of the kernel.

Agrarian Data

In the main rice-growing countries there are two kinds of varieties: lowland (irrigated), and upland (nonirrigated). The lowland variety can be grown without irrigation but is usually less productive than upland varieties.

Lowland varieties are grown on terraced hillsides as well as on low lying places and the notions of lowland and upland do not exactly refer to elevation. Lowland varietes are the more extensively produced kinds in the principal rice producing countries. The major part of rice grown in the United States is also of the lowland kind, but some upland rice is produced for home consumption.

5000 Varieties

During recent years more than 5000 varieties of rice from all over the world were introduced into the United States but of these only a few proved to be adaptable to that country.

The American varieties include the short-, medium-, and long-grain types of early, middle and late maturity. Long-grain varieties usually bring a higher market price than the others.

Seeding And Harvesting

In 1944 only one and one-half percent of the total quantity produced in the southern States was of the short-grain Japanese or Pearl rice type, but in California 95.3 percent of the total production was of this type.

In the southern States, rice is usually sown from April 1 to May 15, but some seeding is done in March if conditions allow. Harvesting takes places about four months after sowing. In California, about five months are required to bring the rice to maturity.

Milling usually takes place during the months of October, November and December.

Rice seed is sown with a grain drill on new land or broadcast with air planes on old land. This latter method has greatly increased in recent years and the cost is no more expensive than when using horses, mules or tractors.

Rates Per Acre

The average rate of seeding with a drill ranges from 80 to 100 Pounds of seed per acre, and 125 to 150 lbs. when scattered from an airplane.

Rice is not grown continuously on the same land, the most common practice being to grow rice in rotation with pasture. One or more crops follow one another, then the land is pastured from one to three years before planting rice again. Rice is likewise grown with clean fallow, cotton, soybeans, corn and green-manure crops, but wheat and barley appear to be the best crops to be rotated with rice.

Rice Acreage And Farms

Rice acreage has increased in the United States since 1937 to over 1,000,000 acres. Louisiana is the leading rice grower with 561,000 acres, Texas second, seeding 392,000 acres.

Rice farm management differs in the various states. In Louisiana, it is almost entirely confined to small, individually owned farms where other crops are also grown. In Texas, on the other hand, some farms reach an acreage of 6000 acres.

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What Chinese Papers Say . . .

AN eventful week was marked by the efforts made by people of nearly all classes to preserve the favorable results of the foreign exchange rate revision, the resumption of KMT-CP talks in the capital, and wide discussion of the possible effects of the coming harvest. The editorials of the local papers thus unanimously center their attention on all three.

* * *

EXCHANGE

The most intelligent explanation of the new move on the part of the financial authorities was probably given by the Sin Wan Pao on August 21. It considered the new foreign exchange rate to be too high, representing 65 percent over the former rate. This inevitably will push up the prices of commodities. It thus suggested that government action is urgently needed to force down the questions of commodities with the help of the China Textile Company and other government concerns. It will also be wise if the government can revise the exchange rate from time to time with slight fluctuations so that any future revision of the rate will not stimulate the rise of commdity prices. The continued sale of gold bars by the Central Government has proved to be very effective and it should be continued in order to stabilize the local financial market, the paper said.

The Chen Yien Pao seemed to have worked out a detailed plan to press down prices and to further economic progress. The main points presented were five: (1) Dumping of enemy property, especially daily necessities, in the local market; (2) Purchase by the government in large quantities of daily necessities of the people; (3) Development of transportation facilities in the country, (4) Adoption of the policy of "lowering the price of rice by rice," and (5) Granting of industrial loans to the factories so that native industry can be developed.

The Wen Hui Pao, however, gave a critical account of the causes which led to the change and listed the unfavorable results which will follow. It said that the revision of foreign exchange is attributed to three causes: (1) The industrialists and businessmen have long expressed their discontent with the government's financial and commercial policies. It is now necessary to bluff them by effecting some reform when an all-out political and economic crisis already has become manifest. (2) Remittances from Overseas Chinese, hitherto used to balance our import-export trade, must be encouraged inasmuch as the American loan is not yet an accomplished fact. (3) If imports do not decline and prices at home should not catch up with the new foreign exchange level, the government could make large volumes of profit to cover its tremendous military expenses. The paper expressed its fear that with her over-taxation, bureaucratic capital, usury, and general decrease in people's purchasing power, China will follow her old course of inflation and hardships.

The revision of foreign exchange, it might be noted, still continues to be the subject of discussion in many papers.

* * *

PEACE TALKS

Immediately after Yenan's mobilization order was announced and an ultimatum sent by the government to the Communists, the Ta Kung Pao expressed the view that China's constitutionalization is now the only means to save peace at the eleventh hour. It hoped that the committee for the drafting of the Constitution of the P.P.C. would meet again immediately to work on the Draft Constitution and that the Draft Constitution would receive the unanimous support of all the delegates to the National Assembly scheduled to be held on November 12. Only by doing so, it stated, could peace and unity be realized in war-weary China.

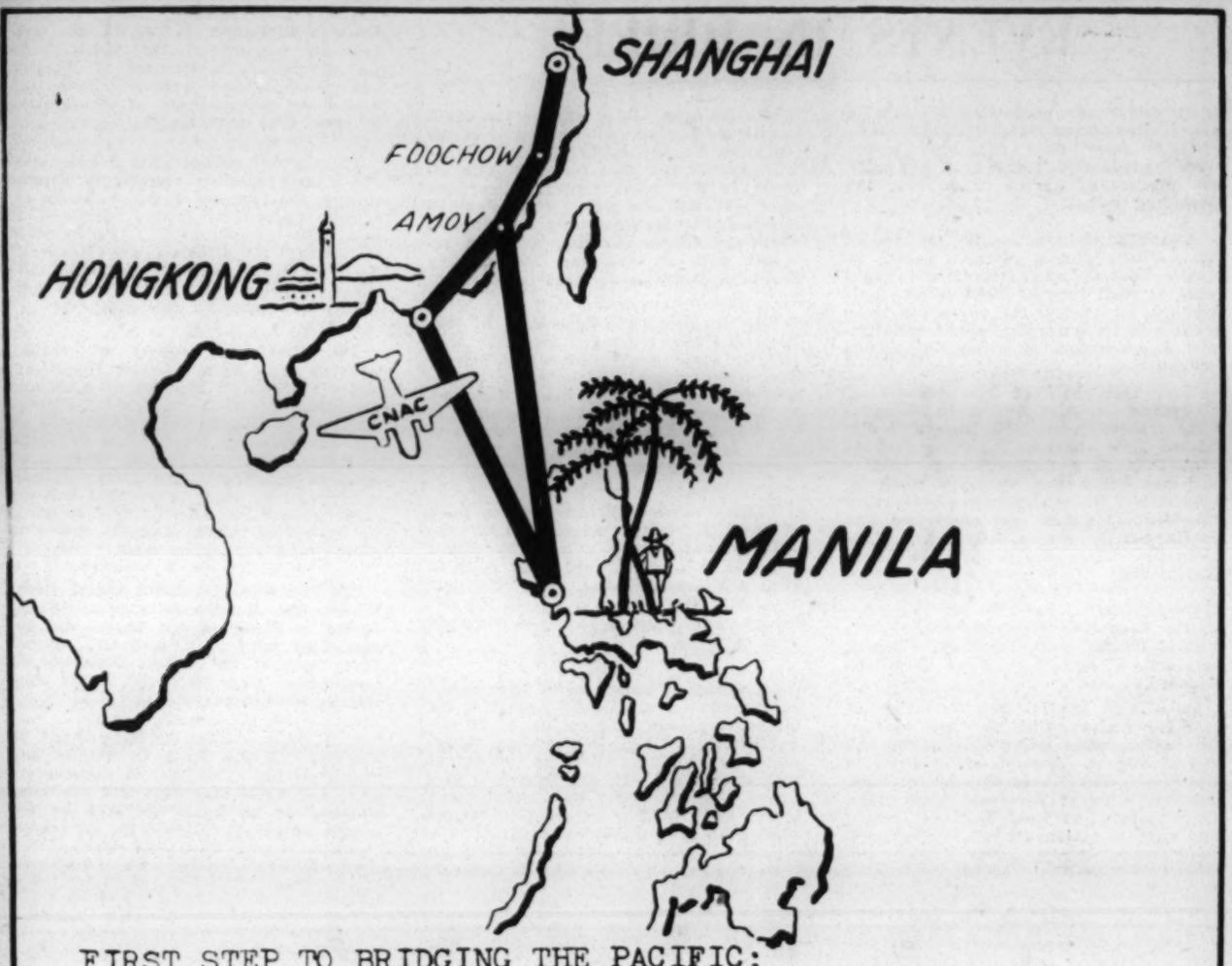
The resumed talks between the two parties, especially with T. V. Soong participating, has begun to brighten up prospects of peace. The opinion and feelings of the average man about the talks could possibly be found in one of the Wen Hui Pao's editorials titled: "Don't Fight While Talking." Reviewing the serious fighting which is going on in North Kiangsu, Jehol, in Manchuria and along the Lunghai Railway, the paper said that it has been estimated the gunpowder used by the nationalist troops at present against the Communists is twice what the American troops used for the liberation of Europe. It thus urged the immediate cessation of hostilities as the sole basis for helping make the parley a success.

* * *

HARVEST

The Tung Nan Jih Pao, in an editorial this week, took pleasure in the coming harvest, yet feared that the total amount of rice we are going to reap is not necessarily an exceedingly large one. It further stated that owing to obstacles in transporting manufactured goods to the rural areas and in hauling rice from the rice-producing districts to the cities and towns, the living conditions of the people, especially those of the peasants, could hardly improve.

The Wen Hui Pao expressed similar views, and asked the government to lighten the burden of the farmers.



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EVENTS IN BRIEF

Passenger car production in July in the United States totaled 220,321 units —78,000 more than the June figure. Truck production reached 92,458 units, an increase of almost 35,000 over the preceding month.

* * *

Associated Universities, Inc., announced that a new atomic research center at Camp Upton, Long Island, will begin work by next spring. Nine eastern universities included in the group will build a chain-reacting uranium pile, a cyclotron and a synchreton at a cost of US$5,000,000.

* * *

More than half of the students of Hangchow Christian College in Shanghai have reportedly been "deliberately" dismissed from the school on the grounds that they have not sufficient "points" and are below the necessary academic standards. The students have approached President Li Pai-en, but the latter flew to Hangchow, leaving their petition unanswered. They plan to appeal to Mayor K. C. Wu.

* * *

Czechoslovakia has officially recognized the Republican Government of Spain, headed by Dr. Jose Giral, the Spanish information center in New York announced.

* * *

Indo-China has released 5000 tons of rice for Malaya, with the first half of this consignment being shipped by the end of August. A ship's officer wrote to the Straits Times that of seven to eight thousand tons of food sent from India to Singapore, at least half was rotten and unfit to eat on arrival in Singapore.

The Malayan Union applies the death penalty to persons found guilty of carrying arms, whereas in Singapore the highest sentence yet passed against this offense is five years rigorous imprisonment. In the Malayan Union, Reuter's reported, Chinese have been sentenced to death for simply carrying a loaded revolver with no evidence that robbery had been committee or was intended.

* * *

The Director of Education of the Hongkong Government is reported to be seeking wider powers to enable him to deal with private schools guilty of extortionate supplementary fees. This step is the result of numerous complaints to the Education Department and letters to the press that high fees and "extras" are being charged.

* * *

Thirty "rebel" policemen of the town of Asti, in Italy, surrendered to the authorities following a hunt by armed police, and troops armed with machine guns and armored cars, after they had demanded the dismissal of all former fascists and declined to lay down arms when ordered.

* * *

Constellation planes, which were ordered grounded several weeks ago after the crash, have received a certificate of airworthiness and the first of them is expected to leave New York by the end of this week. The British Overseas Airways, which grounded its Constellations at the same time, is expected to resume operations around September 1.

The Chinese, British, American and French Governments have accepted Russia's invitation to attend the preparatory meeting of the World Tele-Communications Conference at Moscow, but owing to time pressure, have suggested the postponement of the meeting to some time next month.

* * *

The Czech National Council has called for a mass open-air meeting in Prague to urge the revision of the sentences recently imposed on former members of the German-sponsored "Protectorate Government of Bohemia and Moravia." Prime Minister Klement Gottwald promised that he would consider the possibility of reopening the case.

* * *

The Portuguese colony of Macao, situated about 50 miles from Hongkong, was cut off in its supplies of meat and vegetables from the adjoining Chinese mainland, Chungshan, the birthplace of Dr. Sun yat-sen. Martial law has been declared in that district and there is an embargo on exports and exits. This is interpreted as being a reprisal for the recent suspension of a Chinese company in the colony which allegedly failed to comply with Portuguese laws.

* * *

The first direct air route linking Great Britain and Hongkong, later to be extended to Shanghai and Tokyo, was inaugurated last week when a "Hythe" flying boat of the British Overseas Air Corporation took off from Hythe Pool Harbor with 16 passengers.

* * *

A 24,000-ton liner is being built in England for the P. & O. Straits and China service. The liner is expected to be in service in May 1948 and will have a speed of 23 knots. It will be the largest vessel yet designed for this route.

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United Press reported from London that Moscow Radio had challenged Britain to submit the Iranian situation once more to the Security Council, in connection with the recent movements of British troops to Basra, in Iraq. "If Britain considers that a quarrel necessitating interference by armed force has arisen between herself and Iran, why does'nt she place the question before the Security Council?' the radio asked.

• • •

The Paris Peace Conference is likely to last until November, the Norwegian Foreign Minister, Halvard M. Lange, told newsmen upon his return to Oslo last week. There is some possibility, he said, that the delegations may arrive at some solution before then.

• • •

The Iraq Government has instructed its Legation in London to purchase a number of planes from British factories for the Iraq Army, the Baghdad press reported.

• • •

Turkish press reports, so far unconfirmed, declared last week that a United States naval squadron, including the 45,000-ton aircraft carrier Franklin D. Roosevelt was to visit Smyrna during the planned tour of Near East ports.

• • •

Members of the Bureau Ehrhardt, charged with espionage activities during the Sino-Japanese hostilities, were arraigned before the Military Tribunal at Ward Road Jail early this week. The accused were then remanded in custody pending the next session of the tribunal set for September 16.

• • •

Five American Navy nurses, the vanguard of an eventual staff of 11, reported to Brigadier General William A. Worton, chief of Staff, Marine Forces, China, early this week. This is said to be the first time in history that Navy nurses have been appointed to duties at a Marine hospital.

• • •

The New York Journal of Commerce has reported that the American Government is considering the possibility of resuming private export trade to Japan. This would prove impossible to attain, the Journal declared, because of the present military commitments. American exports to Japan, with the exception of cotton, are now handled by the military.

• • •

A plan to register all Chinese Communists, Democratic Leaguers and Soviet citizens throughout the country was charged by Communist spokesman in Nanking, Wang Ping-nan, when he alleged that registration forms with elaborate details, were delivered to his headquarters through "a Gestapo error."

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PEOPLE IN THE NEWS

GEN. CHIANG KAI-SHEK was last week presented the degree of doctor, "honoris causa," of Liege University, by the Belgian Ambassador to China Baron Jacques Delvaux de Fenffe. The citation read, "....for his contribution towards winning the war."

* * *

BRIG. GEN. EVANS F. CARLSON of the Marines—leader of "Carlson's Raiders of Pacific war fame, will reportedly head a veterans political party, United Press reported from Alamo, Tennessee.

* * *

MAJ. GEN. VICTOR ODLUM, Canadian Ambassador to China, is reliably reported to have interceded with Gen. Chiang at the behest of U.S. envoy-mediator Gen. George C. Marshall to break the current negotiation deadlock.

* * *

GEN. PAI CHUNG-HSI, Minister of National Defense, one of the 30,000,000 Chinese Moslems, felt grave concern over the rioting and bloodshed in Calcutta, expressed the belief that India would yet gain full independence and national unity despite the current disorders.

* * *

NORMAN CORWIN, American radio writer, who as winner of the One World Flight Award is making a trip round the world, arrived in Shanghai. He is expected to visit at least 25 capitals before he returns to the United States.

* * *

DON CHISHOLM, former Shanghai newsman, who was picked up by the American authorities in October 1945 and held in Ward Road Jail, was the subject of a writ of Habeas Corpus, filed against U.S. Secretary of War, Robert Patterson, Patterson declared that Chisholm was not being held incommunicado and his wartime activities are being investigated by the authorities.

* * *

CHU MIN-YI, puppet foreign minister and one of China's top-ranking traitors, who was convicted of treason, was last week shot in front of Soochow's Third Prison, three steps from where Cheng Kung-po met his death recently. Several thousand people watched Chu's execution.

* * *

VICE-ADMIRAL W. H. P. BLANDY, recommended "continuous atom bomb tests to keep the Navy abreast of necessary weapons and design changes if required, unless the atom-bomb is outlawed." He added that he did not advocate any "voluntary outlawing by the United States; "what is needed is a guarantable plan acceptable to all nations."

* * *

WU KAI-HSIEN, puppet vice-minister of Foreign Affairs, told the judges at the Shanghai High Court that he performed many an act advantageous to the Chinese National Government then in Chungking, and denied the charges of treason laid down against him.

* * *

PRINCE OLAF OF NORWAY, head of the Norwegian Resistance Movement during the years from 1940 to 1945, was decorated with the "Croix-de-Guerre," by the French Government for action on the battlefields.

* * *

ANTONIO DE OLIVIERA SALAZAR, Premier of Portugal, declared in Lisbon that democratic powers eventually must limit Communist propaganda and action for the safety of the world. He made the statement to four American correspondents traveling aboard the aircraft carrier Franklin D. Roosevelt.

MAJOR CECIL BOON, R. A. S. C., will be tried by a courtmartial in London, on charges of collaborating with the Japanese in Hongkong while acting liaison officer at a prisoner of war camp, the British War Office announced.

* * *

LORD KILLEARN, British Special Commissioner in Southeast Asia, is planning to visit Batavia to discover the views of the Dutch and the Indonesians regarding the future talks to end the present near-deadlock situation. The Indonesians propose that these discussions be held on neutral territory with a neutral chairman.

* * *

DR. QUO TAI-CHI, speaking to China over the radio from Paris, relayed via San Francisco, expressed the hope that out of the Paris Peace Conference might come a clear enunciation of some general principles governing the whole colonial question. "China has a deep concern in respect to all colonial questions," Dr. Quo declared.

* * *

MOHANDAS K. GANDHI's secretary in Bombay told Reuter's last week that there was no truth in the report that Gandhi would go to the Paris Peace Conference to present India's case.

* * *

SIR SHAFAT AHMED KHAN, appointed member of the new Indian interim Government and a non-League Moslem, was stabbed in Simla on August 24, a few days after his reesignation from the Moslem League. He was former Indian High Commissioner to South Africa, and one of the two Moslems appointed by Viceroy Viscount Archibald Wavell.

* * *

IVAN MAISKY, former Soviet Ambassador in London, has been nominated for membership of the Historical and Philosophical Section of the U.S.S.R. Academy of Sciences, Reuter reported from Moscow.

* * *

MAJ. GEN. GLEN E. EDGERTON, newly appointed Director, UNRRA China Mission, arrived in Shanghai by plane from the United States to succeed Benjamin H. Kizer whose duties were performed by Acting Director J. Franklin Ray.

* * *

FIORELLO LAGUARDIA, UNRRA Director General, arrived in Minsk, Russia, according to Radio Moscow.

* * *

WANG YUN-WU, Minister of Economic Affairs, declared that the China Textile Development Corporation has decided to maintain the current prices of textile products, despite the fact that the recent change in the foreign exchange rate has raised production costs.

* * *

F. LANGLAIS, member of the French Consulate-General staff here, was arrested by the Woosung-Shanghai Garrison Headquarters on charges of collaboration. He is accused of being "chief engineer of a bogus government radio station," during the Japanese occupation of Shanghai.

* * *

PRIDI PHANOMYONG, Siam's Premier and alleged strong man, suddenly resigned from his post as the first fully elected Bica (National Assembly) opened its session last week. His action is said to have been precipitated by the brewing political crisis in the country.

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Who's Who in China

MA CHAO-CHUN, Mayor of Nanking; born at Taishan, Kwangtung, October 20, 1885; graduated from the Nanhua Middle School at Hongkong; Meiji

Ma Chao-chun

（馬超俊字星標）

University, Tokyo, and the School of Aviation, Kyoto, 1929-33; a faithful follower of the late Dr. Sun Yat-sen and a member of the China Tung Meng Party; elected councillor of Canton; commander, Fourth Kwangtung Army; chairman, National Mechanics Association; director, Kwangtung Arsenal, Canton; director, Labor Bureau of the National Government; commissioner, Agriculture and Engineering Bureau, Kwangtung Provincial Government; member, Central Executive Committee of Kuomintang since 1929; minister, Ministry of Central Training of the Kuomintang Party; member, Legislative Yuan, 1929-34; made a State Councillor in November, 1934; first mayor of Nanking Municipality, April, 1935; vice minister of Social Affairs; vice minister of Organization; since Japanese surrender, 1945, mayor of Nanking; at present he is also vice chairman, Headquarters of Troops Comforting Association; chairman, Labor Welfare Association; executive commissioner, Dr. Sun's Memorial Park Association; executive commissioner, Dr. Sun's Cultural and Educational Association. Honorary member, U.S. Officers' Club, Nanking. Author of: "History of Labor Movement in China," "Comparative Labor Policy," and "China's Labor Welfare;" address: Nanking Municipal Government, Nanking.

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Death Given Two Kunming Killers

THE Decocratic League in Nanking was dissatisfied with the manner of procedure of the murder trials held recently in Kunming over the assassins of Dr. Li Kung-pu and Professor Wen I-to. The two accused, junior officers of the Special Service Battalion of the Yunnan Garrison Headquarters, who said that they killed Li because "they were mad at him for defiling the Government," were sentenced to death by a special Military tribunal.

The Democratic Leaguers present at the trial declared that they did not have a fair chance to ascertain the facts of the case independently on account of the "intimidation of the witnesses."

Two Scapegoats?

"How do we know that these two junior officers were the assassins and not the scapegoats of this political murder?" Dr. Charles Lu, spokesman of the League, asked in Nanking. He said that the League pressed for a public retrial in Nanking but so far there has been no evidence that this would be done.

Meanwhile, Generalissimo Chiang Kai-shek, as Supreme Commander of the Chinese Armed Forces, ratified the death sentences passed in Kunming on the two officers.

General Ku Chu-tung, Commander-in-Chief of the Chinese Army, who handled the investigations on the instructions of the Central authorities, disclosed that Yunnan Garrison Commander General Huo Kwei-chang, had already been discharged and taken into custody by the Chinese Army Headquarters.

Case History

The history of the case reveals that the two officers were Tang Shih-liang and Lee Wen-shan, junior officers of the Special Service.

It will be recalled that Dr. Li Kung-pu was killed a few days before the assassination of Professor Wen I-to. The latter was shot three hours after speaking at the funeral of Dr. Li Kung-pu. At the funeral services, Wen I-to spoke candidly before an audience of more than 1000 persons assembled in Yunnan University auditorium.

U.S. Committee Told Of Hunan Hunger

AT a luncheon held by the Famine Emergency Committee in Washington, transcribed interviews telling the audience of famine conditions in various parts of the world were presented. An interview with David Bau, a Chinese scientific consultant connected with SCAP, told of starvation conditions in Hunan province.

Bau declared that Hunan province is normally the most prosperous inland Chinese province—the rice bowl of China. People there are eating a mixture containing about 10 percent of wheat, the rest being roots, grass and tree bark. Bau said that the retreating Japanese killed off all draft animals with which the Hunan farmer did his plowing. The drought came after that and Hunan, with its 28,000,000 inhabitants, became "the worst famine area in the world."

Bau declared that little UNRRA aid was reaching the Hunanese in May and until the crop comes in some 6,000,000 people would require 180,000 metric tons of wheat between now and harvest time. "This is one of the places," Bau said, "where you see people dead and dying on the roadside in the streets."

Following this interview, Clinton P. Anderson, Secretary of Agriculture, told of food within 300 miles of the starving population in China, and said that "such food could not be transported because of the weakness of the Chinese Government."

"If China is so weakened and torn by civil strife that she cannot force her farmers to sell by reason of fluctuations of exchange, she cannot expect a foreign government thousands of miles away to load food on her docks and distribute it," Anderson declared.

He concluded by saying that "we will not soon forget what a small percentage of food we landed in China ever found its way into the relief of famine."

Anderson disclosed that the American Government had offered to ship its surplus of the potato crop, and that not one of the "hungry governments" has taken a single bushel. He predicted that these governments would later come back asking for these potatoes.

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Chang Hsing-fu Killer Reported Arrested

SEVEN months ago a Chinese engineer, traveling with his associates to take over the Fushun coal mines near Mukden in Manchuria, fell afoul of a gang of bandits which took him and his party from the train and killed him in the country nearby.

For seven months there were no traces of evidence which could lead to the arrest of the killer, and the solution of an incident which had brought about severe tension between the U.S.S.R. and China.

At that time, demonstrations were held all over this country in sympathy with the tragic death of Chang Hsing-fu, demanding the arrest of the culprits, which in certain quarters were definitely associated with the Chinese Communists.

Early this week the alleged murderer had been arrested. Mao Kwang-cheng, who "made a confession at the Headquarters of the Manchuria Pacification Forces," turned out to be a former officer of the Communist-led Northeastern United Democratic Army. He was stationed with his unit in the vicinity of Li Shih Tsai, a railway station near which the murder occurred.

It is reported that Mao confessed to having boarded the train which contained Chang Hsing-fu and his party and ordered the former to proceed to a neighboring field. Chang's body was later found buried in the snow.

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Markets Remain Quiet In Wake Of Exchange Rate Revision

THE Shanghai market is expected to remain quiet after the wide fluctuations immediately following the revision of the foreign exchange rate last week. During the week ending August 24 quotations in the financial market closed considerably higher than the previous week prior to the increase of the exchange rate. Quotations for government bonds rose much more than others because of a report from Nanking, quoting a spokesman of the Ministry of Finance, as saying that the authorities would fix a rate for the payment of debts and return of deposits which might be considered fair by both the depositors and the banks.

Quotations for stocks and shares also rose, especially those stocks and shares which are not much traded in the black market, because of the definite decision to reopen the Chinese Stock Exchange on September 9.

As a result of the sale of large numbers of gold bars and commodities such as cotton yarn and cotton cloth by the government controlled companies, the money situation became a little tight. This scarcity of cash may become more serious at the end of this month or early in September due to the approaching Mid-Autumn Festival, which is one of the three customary dates for the settlement of accounts in Chinese business circles. Black market interest rates have increased considerably, from less than 10 percent per month two weeks ago to 15 percent per month.

As to commodities, the authorities have not been very successful in stabilizing their prices. For instance, with the increase of the foreign exchange rate by 65 percent, the gold quotation rose only by eight percent but commodity prices increased in general by 20 or 30 percent. This is especially true in regard to imported goods.

However, it is important to note that many imported goods have not increased in prices following the exchange revision. For instance, the price of gasoline remained unchanged. As to other imported products, many dealers took advantage of the present situation to liquidate their holdings. For instance, although the prices of dyestuffs were two to five times that of the prices in foreign countries some weeks ago there was little business in the market. With the increase of the prices of dyestuffs by 20 or 30 percent during the past week following the revision of the exchange rate, many dyestuff dealers were anxious to sell their products at the old original prices. This indicates that many merchants imported too much goods and consequently tied down too much of their capital and thus were eager to clear out some of their hoarded goods.

As to native products, no increase of prices is permitted by the City Government, the Chamber of Commerce and the different trade associations. For instance, the price of rice, which rose to $85,000 per picul was brought down to the original official price of $58,000 per picul when the City Government continued to sell rice. It is reported that Shanghai authorities have large quantities of rice on hand and are prepared to continue to sell to the public at the old rate.

As to cotton yarn, prices increased by 20 to 25 percent. This should not have been the case, had the China Textile Development Company been able to sell sufficient quantities of yarn and cloth to press down the market. Well-informed circles state that during the week when the exchange rate was revised, the company sold over 200,000 pieces of cotton cloth and over 20,000 bales of cotton yarn at the official prices.

The Central Bank of China sold 1334 gold bars at fixed prices to those who applied as usual during the week. In addition, the Central Bank sold 7530 gold bars at lower prices in the market in order to press down the gold quotations. The

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following table gives the amount and prices of gold sold by the Bank, which succeeded in calling in over $20,000,000,000 fapi.

August 19	194 bars at	$2,650,000
20	97 bars at	$2,170,000
21	196 bars at	$2,160,000
22	395 bars at	$2,155,000
23	141 bars at	$2,152,500
24	311 bars at	$2,155,000

In addition the Central Bank sold 7530 bars at the following prices in an effort to press down the quotations:

August 19	3,500 bars at an average price of	$2,550,000
20	3,000 bars at	$2,180,000
21	825 bars at	$2,180,000
23	205 bars at	$2,180,000

The following table gives the quotations of some leading commodities in Shanghai markets:

	August 17	August 24
Gold bar	$2,035,000	$2,160,000
US Dollar	2,730	3,410
Bond C	1,250	2,050
Wing On Textile	615	685
Ewo Cotton	9,700	9,000
Rice	58,000	58,000
20's Yarn	1,410,000	1,700,000
Raw Silk	2,650,000	3,200,000
Artificial Silk	1,650,000	2,030,000
Ruby Queen cigarettes	12,550	14,200
Koo Ban soap	44,000	47,500
My Dear matches	680,000	710,000

505 Japanese Plants Marked For Removal

IN the second phase of stripping Japanese plants earmarked for Allied reparations, General Douglas MacArthur's staff named 505 plants in eight Japanese industries for potential removal by Allied nations.

Among the newly marked plants were 90 machine tool factories with an approximate capacity of 27,000 units. This left Japan with only small old-line companies which can contribute most to rehabilitation on a reduced peace-time scale.

Twenty-two iron and steel plants based on the Far Eastern Commission's decision to allow Japan a peacetime production annually of only 3,500,000 metric tons of steel, were named in the report. A list of 150 smaller plants have not been marked for stripping, the report points out, since they are considered

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important for the occupation forces' needs and civilian economy.

Power Plants

Thermal electric generating plants, 20 in number, with a capacity of 1,323,200 kilowatts were also named. Sixty days were given that industry to prepare plants for shutting down and removal.

Almost 90 percent of the total of Japanese ball and roller bearing plants were listed. Their removal would leave Japan with a commercial production capacity worth Y.33,000,000 annually.

The list further contained one soda ash company, 15 caustic soda plants, three caustic soda plants under construction. This leaves Japan with a 787,000 metric ton capacity for peace time.

Twenty private shipyards and five naval yards, with enough shipbuilding equipment left to maintain the FEC approved construction repair program, and three docks of 20,000 tons capacity for emergency repairs, were listed in the report.

Munition Plants

Twenty-four sulphuric acid plants, which if removed would reduce Japan's capacity in this industry to 3,930,000 metric tons, as compared with the FEC allotment of 3,500,000 tons annually, were marked for stripping.

In the munition industry, 273 privately owned plants are to be removed for Allied reparations, under the provision of the Council forbidding reconversion of plants organized exclusively for war production to be reconverted to peace-time use.

All these installations will in the meantime remain in Japan under the guard of the American army of occupation pending the future disposal of them by the FEC.

Basic Law Approved

The Japanese Diet, meanwhile, overwhelmingly approved Japan's new constitution in spite of caustic comments by the "Father of the Japanese Diet," octogenarian Yukuo Ozaki. Ozaki is the only continuous member of the body since it was founded in 1890. Of the constitution's assertion that it renounces war, Ozaki declared that "a good constitution on paper doesn't mean anything unless properly enforced." He added that in the "present frame of mind the Japanese might take 10,000 years before they can be truly democratized."

The new constitution is backed by SCAP.

The Russian members of the Allied Council for Japan were dissatisfied with the Japanese Government's Rural Land Reform Plan, saying that the measure maintained the "interests of landlords obviously in the foreground."

Chairman of the Allied Council George Atcheson Jr., is critical of the Russian's issuing a press statement attacking the Japanese reform program. He asserted that this critique should have been conducted within the Council, after the matter had been placed on the Council agenda.

V-J DAY CELEBRATION IN LONDON

Grinning American Soldiers a year ago hoisted happy Chinese officer to their shoulders as crowds at Picadilly Circus, London, celebrated Japanese radio announcement of surrender.

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BUSINESS FOOT-NOTES

A gigantic plan for the construction of houses for government personnel has been adopted by the Building Department of the Ministry of the Interior. The plan will be completed within 10 years, beginning from 1947 at a cost of CNC$20,000,000,000, the Shun Pao reported.

* * *

Reports were circulated early this week that the joint meetings of the Finance, Economic Affairs and Foreign Affairs Ministries decided to increase the import duties and ban the importation of luxuries.

* * *

A committee formed of representatives of the Chamber of Commerce, the Ministry of Economic Affairs, the Bureau of Public Utilities, and power companies, under the auspices of the City Government, will supervise the distribution of the power supply here.

* * *

China will receive more than 216,000 tons of relief rice from Siam and Indo-China, during the second half of this year, representing 28 per cent of the aggregate amount allocated by the International Emergency Food Council to the shortage areas in Southeast Asia.

* * *

France's longest river, the Loire, will be diverted from its 610-mile course over a distance of two miles, to salvage one of the world's largest whalers, the Antartis, sunk below Nantes during D-Day operations. Work will begin next month.

The Colonial Government of Hongkong has allocated large quantities of raw materials, including rubber, canvas and lining, to Hongkong manufacturers in an attempt to revive the important shoe industry. Prior to the war this industry held an important position in the Colony and Hongkong-made shoes qualified as Class "A" exports to the United States.

* * *

Local Importers and exporters have decided to organize a bank in order to facilitate import and export trade, the Sin Wan Pao reported. They are now applying for permission to organize this bank from the Ministry of Finance.

* * *

The Ta Kung Pao declared early this week that reports that postal charges will be increased by 700 or 900 per cent were found to be untrue. The Communications Ministry is not planning to increase any fees or charges of its enterprises, the paper said.

* * *

The Natural Resources Commission will build a huge wharf at Woosung, where berthing space will be available for liners over 20,000 tons, the Shang Pao reported.

* * *

A bridge will be built across the Yangtze River at Hankow, with the city authorities of Wuchang, Hankow and Hanyang contributing large sums to finance this project. The balance will be made up by CNRRA. The bridge will be capable of handling both motorcar and train traffic.

The Shanghai Chamber of Commerce has petitioned the Ministry of Economic Affairs for permission to open a paper mill in Wenchow and the construction of a hydroelectric plant outside the city to utilize the water power.

* * *

Representatives of business and industrial firms from Hupeh are demanding that local cotton mills purchase Hupeh cotton rather than the foreign product for the spinning of yarn. Prior to the war, Hupeh alone produced more than 2,000,000 piculs of raw cotton, the largest single output in China.

* * *

Foreign cigarettes valued at CNC$-500,000,000 are being imported into Shanghai every month. Local cigarette manufacturers are asking the Government to protect their interests by restricting the importation of foreign cigarettes.

* * *

A lot of 1,200,000 pounds of Japanese artificial silk will be sent here soon, following negotiations between the Chinese authorities and SCAP Headquarters in Japan, the Shun Pao wrote. The Central Trust will handle the imports of Japanese artificial silk and will export other products in payment.

* * *

The City Government has borrowed CNC$3,000,000,000 from the Central Bank Of China, in order to cover the heavy deficit recently incurred, the Shang Pao reported last week.

* * *

More than 4,000,000 tons of mud must be removed from the bed of the Whangpoo River in order to facilitate navigation, according to the Director of the Conservancy Board here. Almost 980,000 tons of mud have already been removed since last September.

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Britain's working population decreased in June this year by 82,000 persons, bringing the total reduction since June 1945 to 1,337,000, according to Ministry of Labor statistics. The working population at the end of June 1946 was 20,232,000 of whom 14,569,000 were men and 5,663,000 women.

* * *

The Soviet Government is reported to be studying the Swedish 1,000,000,000 kroner loan proposal to the U.S.S.R. In return for Soviet cotton, tobacco, fruits, grain, oil and gasoline, Sweden will export machinery and steel products to the Soviet Union.

* * *

The United States Maritime Commission's policy of subsidizing American steamship companies in essential overseas trade routes to equalize the lower cost of foreign flag's competition has been officially reaffirmed recently in closed hearings on the postwar trans-Pacific trade routes.

* * *

The U.S. dollar and gold franc exchange rates applicable to the international radiogram service, as announced by the Chinese Government Radio Administration, were adjusted to CNC$3350 and CNC$1100 respectively, Central News reported.

* * *

The War Assets Administration announced that UNRRA, acting on behalf of China, has purchased 100,000 square yards of American-made cotton-duck, which will be used for sails for the Chinese fishing fleet. The cloth ranges in weight from 10 to 28 ounces and was priced between 21 cents and US$1.20 per yard.

* * *

The Bureau of Labor Statistics reported that American food prices soared 31.3 percent since June 30 and more than 40 percent since V-J Day. During the week, ending August 17, food prices rose 3.4 percent. There were continued advances in meat, butter, cheese, powdered milk and oleomargarine.

* * *

August shipment of wheat and other bread grains have fallen behind schedule in the United States owing to a shortage of railroad box-cars, Secretary of Agriculture Clinton P. Anderson declared in Washington. The estimate of the prospective corn crop has been revised to 3,442,202,000 bushels.

* * *

The reported amalgamation plans of the China National Aviation Corporation and the Central Air Transport Corporation were discounted as "groundless and incorrect" by spokesmen of both concerns. The CNAC is a joint Sino-American company while the CATC is a Chinese Government financed company. This leaves little room for their getting together, the Lien Ho Jih Pao wrote.

* * *

A spokesman of the China Textile Development Company declared last week that no raw cotton from America will be sent to China during the next months of the current year. Because of the problem of foreign exchange supply the Central Bank has asked merchants not to order raw cotton from foreign countries, he declared.

* * *

The Hsin Min Wan Pao reported last week that one third of all industrial chemical factories, which total about 80, have suspended operations, owing to "poor business."

* * *

The Price Decontrol Board in the United States ordered price ceilings back on livestock, soybeans and cottonseed, but announced that dairy products and most grains would remain free from price controls.

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NEW BOOKS OF INTEREST

Henry's Way To Peace

SOVIET ASIA MISSION *by Henry A. Wallace. Published by Reynal & Hitchcock, New York, 1946, 254 pp., US$3.00. Reviewed by Catherine Ilyine.*

HENRY A. Wallace, former Vice President of the U.S., believes in first-hand contact among peoples which is now made possible by airways. He feels that mutual understanding among the world peoples is a certain way to world peace.

In 1944 he started on a most important good-will journey through Siberia and China. Before leaving America, Wallace became thoroughly acquainted with the Russian language, customs and history and took a staff of experts and interpreters with him.

"Soviet Asia Mission" is compiled out of Wallace's diary notes during his 50-day trip and draws a clear and simple up-to-date picture of Soviet Siberia and Central Asia. The fabulous growth of new towns as Komsomolsk, Magadan, Seimchan gives the traveler a glimpse of Soviet Asia's future and makes him compare new Siberia with America's western states. During the last 15 years, Soviet Asia has more than doubled her population. From Magadan at the coast of the Pacific to Tashkent, a city of 1,000,000 people in Central Asia, the mission finds the Soviets are producing to the limit on the farm and in the factory.

The author and his staff on their plane "The Skymaster" visited several different towns almost every day and saw many industrial and agricultural enterprises, entering into contact with local people who are described with a fine stroke of humor.

Science knows no divisions of nations and the names of Burbank and Hanson are as well known to every Far Eastern horticulturist as those of Michurin and Lissenko to American agriculturists. Wallace did not miss a chance to inspect any experimental farm in Siberia and Central Asia. He greatly appreciated the experiments on cotton in Tashkent, the scientific works on apples at the fruit selection station on the Kasakh Institute of agriculture in Alma Ata, fruit growing in the State Farm '1st of May" near Irkutsk and the seed distribution work at Yakutsk in the area of Permafrost. He mentions a fine botanical garden with 80 different types of alfalfa in Buriat Mongolia, a corn growing and fruit raising farm in the Yenisei Valley, a berry selection station in Novosibirsk.

Everywhere seeds are exchanged, questions interesting to both American and Russian agriculturists are touched, hopes for the future peaceful interchange of scientific achievements are expressed.

The women in Siberia, to whom the author dedicates a whole chapter, are working on a par with men in every occupation, weather observers, city mayors, English teachers, factory hands, train crewmen, tractor drivers, doctors, museum curators.

Among many illustrations of the book we see the picture of Anna Piribinus, mayor of Balkash. Photos are numerous and interesting. As the sunny smile of President Roosevelt to whom the book is dedicated is well known to all Russians, so will the hearty grin of Vice President Wallace be recognised by everyone who had an informal talk with him in Siberia. He is seen shaking hands with a miner in Kolyma, admiring Simmenthal cows, grinning at the boss of Magadan, "Dalstroi" Nikishov, and gulping up a bowl of Kumiss with Marshall Choibalsang, President of the Mongolian People's Republic at Ulan Bator.

Henry Wallace's grin, however, fades away and he becomes pretty grim in the last chapters of the book when he stresses the necessity of cooperation between the U.S. and Russia and declares that only trade between these two countries can prevent the world splitting into two ideological camps.

"Though Roosevelt is gone," says Wallace, "his spirit still lives, and as long as he lives in the hearts of his countrymen there will be peace with Russia and such an accord between its people and ours that, together, we shall preserve the peace of the world. Working together, there are no limits to what we can accomplish for human well being, just as there is no limit to the human misery that would be caused by the fomenting of suspicion and hate between us."

Unpredictable

CHINA AMONG THE POWERS *by David Nelson Rowe. Published by Institute of International Studies, Yale University. Harcourt, Brace & Co., New York, 1945. 205 pp. Reviewed by S. E. Shifrin.*

NO policy of strengthening China can free the U.S. from its responsibilities in the Western Pacific as China is not a great military power and will not become one at the end of the war, in spite of politically belonging to the "Big Four." Such are the conclusions of author Rowe who backs it up with a mass of facts and figures—meticulously listing his references

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in each case in 17 pages of "Notes."

In view of the particular slant of the book one would think that the author would be primarily interested in China's problems as having a bearing on its military potential. This is why it is surprising to find him, in the second part of the book, indulging in a series of guesses, estimates and recommendations on China's post-war reconstruction. Even though he quotes the then Minister of Economic Affairs, Dr. Wong Wen-hao, as anticipating the import, shortly after the war, of US$-10,000,000,000 worth of *capital* goods, Rowe seems to take it with a big pinch of salt for he seems to be pretty skeptical as to the prospects for foreign investment in China. He even suggests—a daring thought for 1945—that America's hard-headed investors will probably find Japan a better prospect with the existence of skilled labor and technical know-how—this while the Pacific War was still on.

Some of the facts and figures are intra-contradictory, as for instance his surprise at finding that there was only one mechanic per 200 sq. miles in six Central China provinces, even though a couple of pages further he states that all-China had only 45,000 motor vehicles of all types at the time. There is nothing new about China that the author has to say, for this is not his purpose. He has tried to put a damper on Chinese claims to be one of the "Big Four" in fact. He has tried to prove that given the ordinary course of events China will not be able to measure up to any of the "Big Three" in the course of one generation and probably even after that.

This is a good reminder to a good many people especially outside China that China is not particularly rich in minerals, that she needs an extensive afforestation plan, that she doesn't even have an embryonic system of communications embracing the whole country, and that China lacks technicians as much as she needs a new attitude to things. Primarily interested in China's military strength as having a bearing on the strength of U.S. forces to be kept in the Western Pacific he comes to the conclusion that since China cannot wield the "Big Stick" in the Far East it is still up to Uncle Sam to do that.

Rowe seems to prove his point only too well, and his picture of China's dark prospects, as far as becoming a really great power goes, is sure to pain many Chinese as well as friends of China. There is only one thing that he has left out of his calculations—apart from possible startling changes in technology—and that is the unpredictability of this country. The strangest thing of the book during the sizing-up of the political and social set-up is the nearly complete omission of reference to the Chinese Communist Party—which according to Rowe's own statement is in control of the North China iron ore deposits, the largest China has.

Communist Economy

ECONOMIC AND FINANCIAL PROBLEMS *by Mao Tse-tung. Published by the United Publishing Society, Shanghai, June,* 1946. 78 *pp.,* CN$1000. *Reviewed by Darwin Fenn.*

THIS book contains 10 essays (1942-44) and four addresses (1943-45) by Mao Tse-tung, the Communist leader. Mao groups all the economic activities in the Communist area into two categories: private and public enterprises.

Of the 1,400,000 people in the "frontier regions," 90 percent are farmers, upon whom the Communists depend chiefly for the supply of food. Such policies as reduction of land rents and interest rates, adoption of progressive tax on agricultural products, improvement of cultivation and irrigation, and calling

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TIME TABLE

54	52	2	4	6	58	8	10	車次 TRAIN NO.	53	51	3	5	1	57	7	9
4th Class	3rd Class	Tri. Exp.	1,2,3 Exp.	1,2 Exp.	4th Mixed	1,2,3 Night Exp.	1,2 Night Exp.	站名 STATIONS	4th Class	3rd Class	1,2,3 Exp.	1,2 Exp.	1,2 Tri. Exp.	4th Mixed	1,2,3 Night Exp.	1,2 Night Exp.
1.20	5.00	7.00	9.00	11.00	16.20	21.00	22.00	D 上海北站 SHANGHAI NORTH A	13.25	17.30	15.50	19.20	22.30	4.50	5.35	6.20
2.43	6.51		10.06	12.15		22.34		D 崑山 KUNSHAN D	11.50	15.51	14.50	18.05			4.28	
3.34	7.54	8.41	10.47	12.58	19.51	23.32	0.11	A 蘇州 SOOCHOW D	10.53	14.45	14.05	17.18	20.51	2.10	3.39	4.30
3.44	8.02	8.48	10.55	13.06	20.06	23.39	0.18	D 蘇州 SOOCHOW A	10.45	14.37	13.57	17.11	20.43	1.50	3.32	4.23
4.53	9.14	9.36	11.43	14.03	21.21	0.35	1.11	A 無錫 WUSIH D	8.52	13.28	13.09	16.17	19.55	0.10	2.39	3.30
4.59	9.20	9.42	11.50	14.09	21.31	0.42	1.17	D 無錫 WUSIH A	8.46	13.22	13.03	16.11	19.48	23.57	2.32	3.24
6.07	10.56	10.31	12.47	15.08	22.43	1.40	2.18	A 常州 CHANGCHOW D	7.38	11.45	12.13	15.10	19.01	22.45	1.42	2.35
6.30	11.07	10.41	12.57	15.18	23.03	1.50	2.28	D 常州 CHANGCHOW A	7.28	11.35	12.03	14.56	18.51	22.14	1.20	2.25
7.47	12.30		13.49	16.16	0.42	2.55	3.32	A 丹陽 TANYANG D	6.07	10.08	11.06	13.51		20.54	0.03	1.02
7.57	12.38		13.53	16.20	1.00	2.59	3.36	D 丹陽 TANYANG A	6.02	10.00	11.03	13.42		20.44	23.59	0.59
8.48	13.35	12.08	14.30	17.04	1.57	3.45	4.21	A 鎮江 CHINKIANG D	5.11	9.09	10.27	12.56	17.18	19.46	23.06	0.05
9.11	13.42	12.15	14.38	17.13	2.10	3.59	4.28	D 西站 WEST A	5.04	8.59	10.20	12.49	17.11	19.33	22.56	23.56
11.30	15.40	13.35	16.10	18.45	4.35	5.30	6.00	A 南京 NANKING D	2.50	7.00	9.00	11.00	15.50	17.00	21.00	22.00

FARE LIST

STATIONS 站名	Kilo.	I Class Ordinary	I Class Express	II Class Ordinary	II Class Express	III Class Ordinary	III Class Express
SHANGHAI 上海							
KUNSHAN 崑山	52	2,800.	3,800.	1,400.	1,900.	700.	1,000.
SOOCHOW 蘇州	87	4,400.	5,400.	2,200.	2,700.	1,100.	1,400.
WUSIH 無錫	129	6,400.	7,700.	3,200.	3,900.	1,600.	2,000.
CHANGCHOW 常州	168	8,400.	10,100.	4,200.	5,100.	2,100.	2,600.
TANYANG 丹陽	213	10,400.	12,500.	5,200.	6,300.	2,600.	3,200.
CHINKIANG WEST 鎮江西站	243	11,600.	14,000.	5,800.	7,000.	2,900.	3,500.
NANKING 南京	312	14,800.	17,800.	7,400.	8,900.	3,700.	4,500.

滬杭線 SHANGHAI-HANGCHOW LINE
TIME TABLE

23	21	61	67	41	25	車次 TRAIN NO.	42	24	68	26	22	62
1,2,3 Exp.	West Lake Excur.	2,3,4 Class	4th Mixed	2,3 Class	1,2,3 Exp.	站名 STATIONS	2,3 Class	1,2,3 Exp.	4th Mixed	1,2,3 Exp.	West Lake Exc.	2,3,4 Class
6.45	7.50	8.10		14.50	16.40	D 上海北站 SHANGHAI NORTH A	13.05	13.30		18.00	20.00	22.35
7.04	8.06	8.36	9.36	15.15	16.59	D 上海西站 SHANGHAI WEST D	12.47	13.14	16.55	17.45	19.46	22.16
7.47		9.38	11.12	16.17	17.51	A 松江 SUNGKIANG D	11.42	12.28	15.31	16.58		21.12
7.52		9.43	11.45	16.22	17.56	D 松江 SUNGKIANG A	11.37	12.23	15.21	16.53		21.07
9.00	9.50	11.14	13.53	17.53	19.20	A 嘉興 KASHING D	10.06	11.16	13.20	15.45	18.01	19.37
9.10	9.58	11.23	14.08	18.03	19.30	D 嘉興 KASHING A	9.56	11.03	12.58	15.35	17.51	19.27
9.45		12.06	15.05	18.48	20.04	D 峽石 YEHZAH D	9.10	10.30	12.08	15.03		18.46
10.16		12.51	16.04	19.33	20.35	A 長安鎮 CHANGAN-TSENG D	8.22	9.43	11.02	14.29		17.57
10.21		12.56	16.20	19.38	20.40	D 長安鎮 CHANGAN-TSENG A	8.17	9.38	10.52	14.24		17.52
11.25	11.45	14.10	18.25	20.50	21.35	A 杭州 HANGCHOW D	7.05	8.40	9.00	13.30	16.05	16.40

FARE LIST

STATIONS 站名	Kilo.	I Class Ordinary	I Class Express	II Class Ordinary	II Class Express	III Class Ordinary	III Class Express
SHANGHAI 上海							
SUNGKIANG 松江	45	2,400.	3,400.	1,200.	1,700.	600.	900.
KASHING 嘉興	99	4,800.	5,800.	2,400.	2,900.	1,200.	1,500.
YEHZAH 峽石	126	6,400.	7,700.	3,200.	3,900.	1,600.	2,000.
CHANGANTSENG 長安鎮	151	7,600.	9,200.	3,800.	4,600.	1,900.	2,300.
HANGCHOW 杭州	190	9,200.	11,100.	4,600.	5,600.	2,300.	2,800.

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up of women and idlers for labor, have been put into execution successively. Money and farming tools are also lent the farmers to increase the production of cotton and grain. The plan for 1943 was to increase grain by 200,000 piculs and cotton by 1,600,000 catties. We are glad to be told that simplification of the army and government organizations, together with the curtailment of superfluous expenditure, has been carried out in order to alleviate the burden of the farmers.

Salt is an important source of revenue for the communists. It serves not only to balance exports and imports, but also to stabilize currency and regulate prices. The Communists have expanded the Salt Company, increased its capital and put it under close supervision. They aim to improve the quality and increase the yearly production to 400,000 sacks. Since the nuclear problem of the industry is transportation, the communist government has appropriated $2,000,000 to repair the highways, along which many small inns are to be built for the convenience of the transporters.

Among the many cooperative societies, the most prominent is the laborers' cooperative society, which converts individual labor into collective labor. While the productive tools are privately owned and the products are allotted to the individuals, the society only requires its members to work for each other when necessary. Different from the collective farming in Russia, Mao Tse-tung says, the laborers' cooperative society is based on "new democratic economy," the theory of which, however, still is baffling to some of us.

As the revenues obtained from taxation always fall short to meet the heavy expenditure on government, army, bureaus and schools, public enterprises sprang up out of necessity. The army made the start in 1938, followed by government, bureaus and schools in 1941. The army enterprises have produced the largest profit and, of all the troops, the 359th Brigade has shown the best results. In 1942, the soldiers of the 359th Brigade cultivated 25,000 mow of land and raised 2000 pigs. They have also established flour mills, spinning and weaving mills, soap factories, wood factories and iron factories. They have organized a large transportation corps, consisting of 600 horses and donkeys, to convey salt and goods along the highway.

On an average, the soldiers spend three months a year in production and nine months in military operations and discipline. Speaking generally, most of the troops in the rear can provide themselves with all that they need. Those at the front can furnish themselves with 50 percent; and those in the guerrilla regions, only 15 percent. Mao Tse-tung says that he is trying to make all the troops furnish themselves with 100 percent of food and clothes. This syetem of self-sufficing economy of the army, if not unique in modern states, is nevertheless startling.

New League

UNITED NATIONS PRIMER *by Sigrid Arne. Published by Farrar & Reinhart, Inc., New York,* 1945. 156 *pp. Reviewed by J. R. Kaim.*

THROUGHOUT the world people had looked at the new United Nations organization as the means to solve the great problems of millions of human beings in both hemispheres. Throughout the world people at present are pretty discouraged and disgusted with its progress or rather its lack of progress. To achieve such poor results there existed no necessity to dissolve the old League of Nations (and Notions), critics say, and if things do not improve in the very near future, the UN may die before it really has had a chance to live.

Sigrid Arne's book, nevertheless, is important. For, in spite of all UN's shortcomings, the organization does exist and still is the only platform to discuss world questions on an international basis. Miss Arne's little book contains no propaganda. It simply explains the fundamental ideas of the various conferences, from the Atlantic Charter to the San Francisco Conference, and gives the official texts issued after the meetings. Furthermore, the writer describes the background of each conference, the chief problems discussed and the direct consequences observed after the conferences.

If the book does not show what the UN is, it at least makes quite clear what the organization's founders hoped it would become and reading the very honest explanations given by the authoress it sometimes appears that what was born in San Francico was a child crippled from its very first day.

There was some early talk at San Francisco of giving the Court (the International Court of Justice replacing the World Court at The Hague and acting there just as the World Court did) some actual power by backing up its decisions: giving the Security Council the right to enforce them; but that idea, as Miss Arne quite soberly reports, was dropped. And, probably, it was by dropping that fundamental proposal that the term "United" lost most of its importance.

However, as long as UN in its present form remains the only means of settling the great disputes we must expect and as long as it remains the only remedy against wars—a very weak remedy but still perhaps a remedy—one is bound to know its construction and foundations. Miss Arne's book is, indeed, the primer needed for such purpose.

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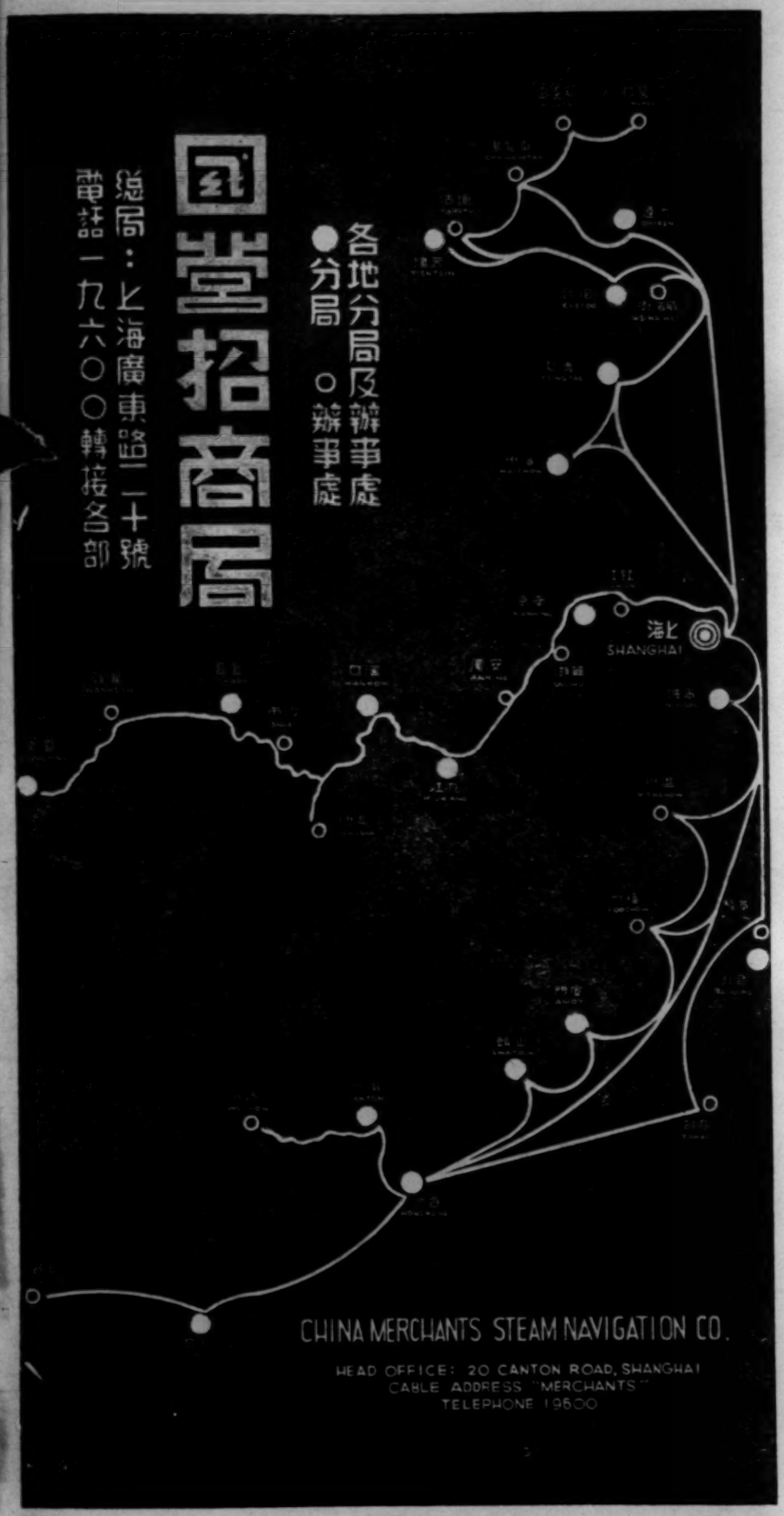

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